

The Pope to meet the Queen

The Queen and the Pope will meet during the Pontiff's May visit to Britain, but no date has been fixed, Buckingham Palace announced. Pope in Nigeria, page 6; Archbishop's plea, page 12

Atlantic air earnings loss

The Government is worried that Britain is losing its earnings on transatlantic air routes because of the Laker collapse. Britain and the United States are each allowed two airlines on the routes, but British Airways is now fighting Pan Am Airways and Trans World alone. Page 2

De Lorean fears grow

Fears are growing that receivers could be called into the De Lorean car plant in Belfast this week. Mr James Prior, the Northern Ireland Secretary, is expected to tell Mr John De Lorean today that no more Government money is available. Page 13

Rifle triggers US concern

The filming of an American soldier carrying an automatic rifle in El Salvador has started a chain reaction in Washington that is likely to lead to sharp questions in Congress on American policy in Central America. Page 6

Papers pledge to winners

The Daily Mail announced that every winner in its latest "Casino" game would receive an equal share of a £35,000 prize and go forward into a second draw with another £35,000 prize for the winner. More than 3,000 have claimed. Page 2

Funeral protest

The funeral of Dr Neil Aspin in Johannesburg turned into one of South Africa's biggest anti-government demonstrations for years. About 2000 mourners packed into his cathedral, thousands more lined the streets. Page 6

Rape review

The treatment of rape victims in court may lead to a revision of police procedures, Sir Michael Havers, the Attorney General, said. The need for new legislation would depend on how the police and judges reacted to the changes. Page 3

Nato strength

Mr Caspar Weinberger, the United States Defense Secretary, has asked Western Europe to contribute more to Nato defence. Otherwise, he said, there was a risk that America might opt for isolation. Page 5

Poodle top dog

Grayco Heselow, the toy poodle champion at Crufts Show was declared Supreme Champion. A German Shepherd was the reserve. Page 2

England defeated

Sri Lanka beat England by three runs in the second one-day international cricket match in Colombo. England won the first match by five runs. Page 20

The Times this week

Four voices from the West

There is anxiety in the capitals of the West about the direction and unity of the NATO alliance, especially in the wake of the Polish coup. The Times has therefore invited four former national leaders to write individual perspectives based on their deep experience.

In a series beginning tomorrow, the uncertainty in Nato and the future direction of Western strategy will be examined by Zbigniew Brzezinski, President Carter's national security adviser 1976-80.

Willy Brandt, former West German Chancellor; Maurice Couve de Murville, former Prime Minister of France; and James Callaghan, British Prime Minister 1976-79, will follow.

Leader page, 11
Letters: On income tax cuts, from Sir William Clark, MP, and Mr Michael Grylls, MP; fares subsidy, from Mr Ken Livingstone.

Leading articles: SDP: Syria Features, pages 9, 10
Why Britain can lower interest rates now; Singapore, 40 years after the British surrender; George Mikas enjoying life at 70.

Obituary, page 11
Miss Anne Shaw, Mr Victor Jory

Home News	2-4	From Bonds	24
Overseas	5-6	Property	21
Arts	12, 15	Religion	12
Books	8	Science	2
Business	13-16	Sport	20
Chess	2	Snow reports	17-20
Court	12	TV & Radio	23
Crossword	24	Theatres, etc	23
Diary	10	Weather	24
Parliament	12	Wills	12

Jenkins likely leader in wider SDP franchise

By Julian Haviland, Political Editor

The Social Democratic Party yesterday emerged from a day and a half of purposeful debate with a more democratic and flexible draft constitution, which will go to all 78,000 members at the end of next month for ratification.

The ballot form will seek the members' verdict on the document as a whole, and on the two specific points which most roused and divided the convention in Kensington, west London. These were the method of electing the leader and the question of whether men and women should be equally represented on the main policy-forming body, the Council for Social Democracy.

The vote on giving women half the council seats produced a tie on Saturday, despite Mrs Shirley Williams's pleas from the platform. She had urged the party to make the enhancement of opportunities for women a substantial part of its appeal.

There were more women in the Commons in 1951 than there were today, she said, and it was no good saying that things were getting better.

The women's lobby secured two lesser victories. They are to have special representation for women on the national committee, the controlling organisation of the party outside Parliament, and the right to inclusion on short-lists for selection of parliamentary candidates.

But equal representation on the council was the main goal and this concept may be rejected as too modern by the mass membership.

Mrs Williams said yesterday that such an outcome would mean that the party was less radical than she hoped.

The leadership conundrum was reduced from eight bright ideas to three firm proposals. Members must decide whether the leader should be chosen by MPs alone, without endorsement by the wider party; by every member of the party with no special vote for MPs; or a compromise under which every one would have a vote in the first leadership election, but subsequent elections would be left to MPs.

The one-member one-vote system was the preference of 166 of the 305 accredited representatives. But, when asked to refine their choice, in a second ballot, they opted by 83 votes to 81, with two abstentions, for the system to be reviewed after three years.

Unless the Kensington convention proves wholly unrepresentative, the party seems certain to adopt the new system.

Mr Robert Mugabe made a scathing personal attack this weekend on Mr Joshua Nkomo, his partner in Zimbabwe's coalition Government. He said a decision would be taken this week on the future of their alliance after the discovery of huge arms caches on farms owned by Mr Nkomo's Patriotic Front.

The Prime Minister's speech was the most forceful public criticism he has ever made of his old rival. It includes a list of what he described as Mr Nkomo's failures and shortcomings as a leader, which observers saw as a suggestion to resign.

Likening Mr Nkomo and his party to "a cobra in the house", Mr Mugabe said: "The only way to deal with a snake is to strike and destroy it. How else can I describe a man who supposed was my friend and whom we invited to be part of the Government when it could have been just our party?"

Mr Robert Mugabe (left), who called his partner, Mr Joshua Nkomo (right), "a cobra in the house".

Mr Mugabe's speech was a consequence of a series of searches of Patriotic Front farms over the past week which have turned up caches of machineguns, ground-to-air missiles, mortars and automatic rifles.

Addressing a rally in Marandellas, Mr Mugabe said that Patriotic Front officials would be asked to explain the existence of the caches and the action by his own Zanu (PF) party could be expected to follow this week. He said he was deeply upset that while his party had been striving to consolidate Zimbabwe's independence the Patriotic Front had been stockpiling enough weapons to arm 20,000 men and "start another war".

Mr Robert Mugabe (left), who called his partner, Mr Joshua Nkomo (right), "a cobra in the house".

Mr Robert Mugabe (left), who called his partner, Mr Joshua Nkomo (right), "a cobra in the house".

Mr Robert Mugabe (left), who called his partner, Mr Joshua Nkomo (right), "a cobra in the house".

Mr Robert Mugabe (left), who called his partner, Mr Joshua Nkomo (right), "a cobra in the house".

rain to adopt the wider franchise in the end.

At one time it was held that Mrs Williams would win under the wider franchise, with Mr Roy Jenkins the MPs' probable choice. Mr Jenkins, provided he can enter Parliament, now seems the likeliest choice under any system. He said yesterday that he was content to let the membership decide.

The convention alternated between docility and self-assertion and by the end it had swallowed, without major alteration, a document six times as long as the constitution of the United States.

The structure is unchanged, comprising a Council for Social Democracy, of 400 or more elected members, meeting three times a year; a national committee of about 40, mainly indirectly elected; and, as well as the leader, a president elected by every party member in a ballot, to chair both council and to oversee the party.

Attempts from the floor to give real power to the consultative assembly, the annual gathering which every member is entitled to attend, were firmly rejected.

The platform was defeated eight times, apart from the roadblock on the vote of women.

Members insisted that constituencies were given greater freedom: that areas should be given 20 per cent of their members' subscriptions and that the subscription rate be set by the council rather than the national committee.

The leadership was defeated on a proposal requiring it to set up a national youth organization. And representatives forced a vote making it relatively easy for the party's constitution to be overhauled in three years if it proves defective.

One vote carried as much anguish as the women's rights issue. The constitution's preamble, rejecting prejudices based upon sex, race or religion, was recently extended to embrace "gender, race, colour, sexual orientation or religion".

A proposal to go back to the original wording was denounced as being designed to "purge the party of queers". Ms Polly Toynbee pleaded the harassment of homosexuals and the importance of breaking new ground, but lost her cause.

The party seems tolerant enough to the observer. But it likes words, particularly in constitutions, to have precise and comprehensible meanings.

Convention reports, page 4

Leading article, page 11

FA Cup: The Law versus The Rest



The fifth round of the FA Cup on Saturday brought more than its usual share of surprise results and a number of arrests after fighting between rival groups of fans (our Sports Staff writes). Over 60 people were arrested

before the start of the Chelsea-Liverpool game at Stamford Bridge (above, a policeman, truncheon in hand, moves in on a scuffle inside the ground) and there were more arrests at Euston Station, London, where sup-

porters of Liverpool, Birmingham City, Aston Villa and other clubs were congregating. No serious injuries were reported save to Liverpool's pride: they lost 2-0.

Reports, page 17

Rebels hold out on island in Hama

From Robert Fisk, Damascus, Feb 14

The Syrian Government's attempt to portray the uprising at Hama as a localized battle between the authorities and the extremist Muslim Brotherhood began to founder tonight with reports that regular Syrian troops in the city had mutinied and crossed over to the side of the rebels.

In Damascus, where the violence is invariably being projected as part of an American plot, government officials took the unprecedented step of informing foreign correspondents that they risked being shot by the security police if they tried to travel to Hama. One dispatch—originating in Turkey—talked of an entire Syrian division transferring its allegiance to the Brotherhood: the story is unconfirmed but it does give some indication of the serious state into which Syria's internal security has now fallen.

Fighting continued in Hama for the twelfth successive day today as units of special forces troops tried to force their way into the medieval streets of the old city. The rebels—who clearly comprise more than just a few extremists from the Muslim Brotherhood—are using rocket launchers as well as automatic rifles and hand grenades in the battles along the south-western banks of the Orontes river. The district, once popular with tourists for its wooden waterwheels and Islamic museum, is now under tank and mortar attack by government troops.

The fact that the rebels are holding out in buildings on an island in the old city—connected to the riverbank by a narrow bridge—makes the task of assaulting their positions all the more difficult.

One resident from Hama, who arrived in Damascus at the weekend, said that he had to leave the city when his house was destroyed by shell fire. Casualties are put between 2,000 and 3,000 dead and wounded.

The Government announced this afternoon that the main road between Damascus and the northern city of Aleppo—which runs through Hama—had been reopened although

Continued on back page, col 5

Government inquiry urged into transfer of 'Times' titles

By Staff Reporters

The Opposition is to ask the Government to examine whether the transfer of the titles of *The Times* and *The Sunday Times* from Times Newspapers Ltd to Rupert Murdoch's News International breaches the conditions imposed over the newspapers last year.

The transfer was agreed by the executive board of Times Newspapers Ltd (TNL) in December. The newspapers' independent national directors on the main Times Newspapers Holding Board were not consulted, an omission described yesterday as "breath-takingly subterfuge" by Mr John Smith, the Shadow Trade Minister, who is to ask Mr John Biffen, Secretary of State for Trade, to intervene.

Sir William Rees-Mogg, former editor of *The Times*, has also written to Mr Biffen describing the transfer as illegal and "clearly a breach of the agreement made at the time of the sale and, more importantly, of the conditions attached for your approval".

Sir William added that the transfer would obviously facilitate closure of the newspapers if Mr Murdoch's demands for staff cuts are not agreed by the end of the week. The demands are for 500 redundancies from TNL's 2,500 full-time employees.

Mr Murdoch, who is in the United States, told *The Sunday Times* that the transfer was made on legal advice to protect the titles. "It does not in any way affect either the control of these newspapers, or the guarantees of editorial independence which were given by News International at the time of the purchase of Times Newspapers," he said.

The move was agreed unanimously by the board of Times Newspapers. The special role of the independent directors in no way affected.

Another TNL board member, Mr Roy Eckberg, former company secretary of TNL and now financial director of the company and of News International, said: "The board of TNL have behaved perfectly correctly in the context of the legal advice we received."

The argument centres on undertakings given by Mr Murdoch when he took over the newspapers and also on the conditions imposed by Mr Biffen before he agreed to the sale, without reference to the Monopolies Commission. These were later incorporated in TNL's articles of association.

In a statement on the proposed purchase of *The Times*, *The Sunday Times* and its three supplements, Mr Biffen said on January 27, 1981: "NIL (News International) shall not without the consent of the board of the independent national directors of the time being of Times Newspapers Holdings Ltd (TNHL) do anything, or procure or permit anything to be done, which shall result in:

(1) NIL, by reason of any transfer, ceasing to be a newspaper proprietor in relation to

The Times or *The Sunday Times*, or

(ii) either NIL or Times Newspapers Ltd (TNL), ceasing to be a subsidiary (within the meaning of section 154 of Companies Act, 1948) of NIL, or

(iii) TNL selling or otherwise disposing of any interest in *The Times* or *The Sunday Times*."

be latter condition carried criminal law sanctions of a fine or up to two years' imprisonment, or both, under the Fair Trading Act, 1973. Similar penalties could be imposed if the papers were not published separately.

In February 1981 a new clause in the articles of association of TNL was adopted by special resolution. This said: "Neither the directors nor the company shall have power to do anything or procure or permit anything to be done which shall result in the selling or otherwise disposing of any interest in either *The Times* newspaper or *The Sunday Times* newspaper or the business of publishing either newspaper except on terms approved by and with the prior consent of Times Newspapers Holdings Limited in accordance with the company's Articles of Association."

Several national directors and other members of the main TNL holding company board, of which Mr Murdoch is chairman, yesterday continued to insist that the transfer, ceasing to be a newspaper proprietor in relation to

Continued on back page, col 1

The Times or *The Sunday Times*, or

(ii) either NIL or Times Newspapers Ltd (TNL), ceasing to be a subsidiary (within the meaning of section 154 of Companies Act, 1948) of NIL, or

(iii) TNL selling or otherwise disposing of any interest in *The Times* or *The Sunday Times*."

be latter condition carried criminal law sanctions of a fine or up to two years' imprisonment, or both, under the Fair Trading Act, 1973. Similar penalties could be imposed if the papers were not published separately.

In February 1981 a new clause in the articles of association of TNL was adopted by special resolution. This said: "Neither the directors nor the company shall have power to do anything or procure or permit anything to be done which shall result in the selling or otherwise disposing of any interest in either *The Times* newspaper or *The Sunday Times* newspaper or the business of publishing either newspaper except on terms approved by and with the prior consent of Times Newspapers Holdings Limited in accordance with the company's Articles of Association."

Several national directors and other members of the main TNL holding company board, of which Mr Murdoch is chairman, yesterday continued to insist that the transfer, ceasing to be a newspaper proprietor in relation to

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

The Times or *The Sunday Times*, or

(ii) either NIL or Times Newspapers Ltd (TNL), ceasing to be a subsidiary (within the meaning of section 154 of Companies Act, 1948) of NIL, or

(iii) TNL selling or otherwise disposing of any interest in *The Times* or *The Sunday Times*."

be latter condition carried criminal law sanctions of a fine or up to two years' imprisonment, or both, under the Fair Trading Act, 1973. Similar penalties could be imposed if the papers were not published separately.

In February 1981 a new clause in the articles of association of TNL was adopted by special resolution. This said: "Neither the directors nor the company shall have power to do anything or procure or permit anything to be done which shall result in the selling or otherwise disposing of any interest in either *The Times* newspaper or *The Sunday Times* newspaper or the business of publishing either newspaper except on terms approved by and with the prior consent of Times Newspapers Holdings Limited in accordance with the company's Articles of Association."

Several national directors and other members of the main TNL holding company board, of which Mr Murdoch is chairman, yesterday continued to insist that the transfer, ceasing to be a newspaper proprietor in relation to

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

A king trapped in a sandy maze

From Trevor Fishlock, Chambal Valley, north-west India

Malkhan is a bandit king. It says so on the headscarf paper he wears. He sends threats and taunts to the policemen hunting him. It says so, too, on the rubber stamp he hangs on the ransom notes he dispatches to the wealthy men whose sons he has kidnapped.

He and his gang have killed and kidnapped many people. There are more than a hundred serious crimes listed against them. The police have put them at the top of the league of ruthless dacoits who plague and terrorize this region of northern India.

There is a swag about Malkhan, keeping with his status and the high price on his head. His headscarf is not mere insolence or black humour. He rules by menace but sees himself as a principled and just chief. He deals out rough justice and doles out money, Robin Hood fashion, and villagers touch his feet in respect.

He is 38, tall, thin, and watchful, and wears khaki police uniform with a superior's rank on the epaulettes, and his name in Hindi on his tunic breast.

Malkhan slips through net

But for all his swagger Malkhan is on the run. He has not slept two nights in the same place. He is out there somewhere, about 70 miles south-east of the Taj Mahal, in the sandy labyrinthine ravines, the thick jungle and the scented yellow mustard fields; and the police net is slowly tightening.

His support is being eroded, his food sources watched. He knows that—sooner or later—someone may betray him for money or revenge.

But Malkhan is cunning and the net still has holes. Not long ago he slipped across the Chambal River at dusk and made for a village near the town of Bind. There were two scores to settle: an 18-year feud with a farmer, and the matter of a man who had tried to poison one of his gang.

This second business was quickly done. The man was shot from his home. "Poisoner," Malkhan said, and shot him.

Revenge on the farmer was more profitable. Malkhan abducted his son, aged 24, and kept him three months in the ravines before the father raised the equivalent of £3,000 to get his son back.

Kidnapping along with routine extortion is the dacoits' greatest money maker.

Some of Malkhan's loot pays for temple upkeep. He is religious and tries to worship at an image of bloody-mouthed Kali, Goddess of Death, every Monday.

He also heeds portents. The sight of a snake can lead to cancellation of a raid. More practically he forbids the womanizing and drinking that have led to the betrayal and death of other bandits. He also sleeps apart from his gang, his bodyguard on watch.

But even cunning and careful dacoits make mistakes. Pan Singh, another top-league killer and kidnapper, wanted for more than 50 crimes, made a fatal error last October. His men found refuge in a walled village near Bind, believing caste fellowship with the villagers secured their safety.

The last entry in Pan Singh's captured diary shows he spent 30 rupees (£1.80) on whisky and 150 rupees on a goat to feast on.

Last race ended in hail of bullets

But the police were told and 300 men ringed the village. The shooting went on for hours—and in the end Pan Singh made a run for it.

Running has been his life. In his prime he had been an Indian sports hero, an international athlete, holder for 10 years of the national 3,000 metres record. Then he became embroiled in a land feud in his village, and committed murder; it was the usual way of settling quarrels in this violent region. He fled to the ravines and set up as a bandit.

This last desperate race ended in a hail of bullets.

Popular Valley says that death in battle is better than death in bed, that "a man whose enemy sleeps has no right to live". They are part of the glamour that clings to outlaws in a region the size of Wales unique for its tradition of brigandage. This is the first of two articles by Trevor Fishlock on the bandits of northern India.

Next: the police task.

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Continued on back page, col 1

Warning of more crime as police spending is cut

By Peter Evans, Home Affairs Correspondent

Cuts in police spending have been agreed by the Strathclyde police and fire committee despite a warning by police of rising crime. And the West Midlands force also expects to face cuts as county council committee chairman today resume a meeting adjourned after six hours on Friday to decide what to do.

Mr Edwin Shore, chairman of the West Midlands Police Authority, said the police budget would be cut even though there was a 13 per cent rise in crime in the area last year.

The cuts will undermine the Government's promise that priority will be given to maintaining a strong police force.

The West Midlands is one of six provincial police forces where 5,000 jobs are threatened, according to the Labour-controlled Association of Metropolitan Authorities.

Mr Patrick Hamill, Strathclyde's Chief Constable, has linked a big crime increase there with financial cuts. The further squeeze decided by the police and fire committee on Thursday comes after a 3 per cent cut last year.

Strathclyde Regional Council's net expenditure on the police, at 1980 prices, fell from £100,169,000 in 1980-81 to £96,964,000 in 1981-82, and a proposed cut of a further £299,000 comes up for ratification by the full council on March 3.

In a letter to the committee in December, Mr Hamill reported that crime up to September last year was 11.4 per cent higher than in the same period in 1980. His annual report, due out on March 25, is expected to show a similar rise for the whole year.

Mr Hamill says that an important factor in the crime rise has been a reduction in preventive policing because the force had less money. He said the real cut in police on the streets was well over 150,

as the force had to take on many duties formerly performed by civilians.

Strathclyde's authorized strength is 6,955, but it was reduced to 6,802 by December 31, by not replacing officers who left.

Cases of assault and robbery have gone up by 11 per cent in Strathclyde, and other increases include: carrying offensive weapons, 41 per cent; thefts and break-ins, 19 per cent; embezzlement, fraud and forgery, 27 per cent; drugs offences, 34 per cent; assaults on police, 38 per cent.

The figures are the more worrying because the police had previously contained the crime rise. There was a reduction in 1977-78, followed by increases of 1.7 per cent in 1978-79 and 1.6 per cent in 1979-80.

Mr Shore, of the West Midlands, would not say where police cuts there are expected to fall, but likely targets are traffic wardens, overtime working, or ancillary services.

The cuts come as police in the inner cities seek to prevent a recurrence of last year's riots and to check mugging by putting more officers on patrol. The West Midlands force, particularly in Handsworth, has been a pioneer of community policing, which is seen as a reason why last year's troubles were not worse.

The Association of Metropolitan Authorities has sent figures to the Home Secretary showing that the share of resources would increase by 24 per cent in 1982-83 for London's police, compared with 3.4 per cent for other forces. Mr Whitlaw has told the Association: "The possibility of a reduction is being looked at urgently."

Other councils where police jobs are said to be under threat include Merseyside, Greater Manchester, West and South Yorkshire and Tyne and Wear.

Newspapers bingo code sought by Opposition

By Kenneth Gosling

Mr John Fraser, the opposition consumer affairs spokesman, yesterday called on Government departments to join with the Office of Fair Trading in drawing up a code of conduct for newspaper bingo competitions after thousands of Daily Mail readers on Saturday visited and telephoned the newspaper's offices in the belief that they had won a large prize.

"It would avoid the bitter disappointment that they suffered after thinking they had won a lot of money when they checked their coupons," he said. Mr Fraser said it was his view that bingo games were ruinous to newspapers that featured them.

The Daily Mail game is called "Casino" and is played with coupons distributed to homes. On Saturday the paper published two numbers, 11 and 26, for Game Six, which had been running for 11 days. The floodgates opened and many readers who discovered that they had 17 numbers on their coupons, qualifying them for a prize or at least a share in a prize, headed for the paper's London offices.

The game offers a jackpot of £70,000 or a reduced, and shared, payout of £35,000 if no claim based on the first of the published numbers is received. The newspaper issued a statement asking claimants to send winning entries to them by recorded delivery, to arrive not later than tomorrow.

Mr Fraser said: "I think the papers that indulge in bingo all wish they could get out." He said this was not the first mix-up there had been in newspaper games. "There are already codes of conduct in other areas, such as prize draws, and I think the Department of Trade should look at it."

Newspaper bingo has been helping to increase the circulation of the popular dailies. The tabloids together put on more than 500,000 copies in the last six months of last year.

Hazel is the queen of Cruft's



Top dog: Champion Grayco Hazelnut, which was last night named Supreme Champion of Crufts, with her owner, Mrs. Lesley Ann Howard, of Godstone, Surrey. Mrs. Howard immediately announced that three-year-old Hazel, the first toy poodle to win the title since 1966, would be retiring. A Scottish terrier, one of the six finalists, was withdrawn because the dog lived at the home of a judge.

Laker collapse brings Atlantic cash loss

By Arthur Reed

The Government is becoming increasingly worried about the amount of invisible earnings the country is losing on the air routes across the North Atlantic because of the financial collapse of Sir Freddie Laker's airline, Laker Airways.

Under the terms of the Bermuda II air services agreement with the United States, Britain is allowed two airlines on the busy London-New York and London-Los Angeles routes to compete against two US carriers.

Britain's nominees are British Airways and Laker, up against Pan American and Trans World, and the demise of Laker Airways means that BA is taking on the two US "giants" on its own.

Britain's overall share of the traffic, and therefore its earnings, are expected to go down as Pan Am and TWA increase their aggressive marketing in an attempt to attract passengers who would have travelled by Laker.

That significant gap in the British air route network is likely to remain for some weeks, however, as the Civil Aviation Act lays down a lengthy process to be followed by the Civil Aviation Authority before it can choose a successor to Laker.

The two main contenders are British Caledonian Airways, whose chairman, Mr. Adam Thomson, has already made clear that he wants to pick up the London-Los Angeles licence, a route which the airline operated between 1972 and 1974, and Sir Freddie Laker, with his new partner, Mr. Roland (Tiny) Rowland, chief executive of Lombar.

British Caledonian filed a formal application for Los Angeles with the aviation authority just before the weekend, commenting: "There can be no possible argument against the fact that the experiment to licence Laker Airways to operate via the North Atlantic has failed in the most dramatic way, with an effect on thousands of consumers on both sides of the Atlantic."

"The most honourable solution is to sweep away the Laker Airways debris and let British Caledonian pursue its interrupted proper for a viable second British service between London and Los Angeles."

Technically, Laker still holds the New York and Los Angeles licences, which were operated

with the airline's cheap fare Skytrain services. The CAA gave notice on the day of the collapse, February 5, of its intention to suspend them.

That notice was not received until four days later, and the Act lays down that suspension cannot take place until at least six working days after receipt, which makes Wednesday of this week the earliest day.

But the authority does not have to take immediate action, particularly if there are representations against suspension. It is understood that such representations have already been made. When a final decision to suspend is made, the Act lays down a further 21-day period before the licences can be revoked.

There are two options open to Sir Freddie in his efforts to start flying with his "people's airline". He can either wipe the slate clean and apply to start up as a completely new operator, or he can seek to have the existing licences transferred to a reconstructed company.

Although the procedure at the aviation authority would be slightly different in each case, he would be expected to prove in both instances that he is a fit and proper person financially and operationally to run an airline, and that his management record was satisfactory.

Opportunities would have to be given to objectors to state their case, and it is agreed that both BCal and British Airways would demand hearings.

In either case the procedure would be lengthy and the chances of a new or revived airline flying the Atlantic by Sir Freddie's stated target date of April seem slim.

Meanwhile, Sir Freddie flew to Paris yesterday on a private jet, owned by the Lombar company. The reason for his trip was not immediately known, but Mr Paul Spicer, a Lombar director, said he thought it was likely Sir Freddie was having talks with the French government, which owed £121m for loans on DC10s and Airbuses.

British Airways, a subsidiary of British Airways, announced yesterday that it had won a contract worth £11m to carry the exclusive holiday passengers for Owners' Services Ltd/Viking to destinations in Europe this summer. That contract, which involves about 160,000 passengers, was previously held by Laker Airways.

Rail hopes rest on McCarthy

By Donald Macintyre, Labour Correspondent

Hopes of ending the six-week-old national rail dispute were resting last night on a reply by Lord McCarthy's inquiry team, which is not now likely to be published until tomorrow morning.

The three-man team were said last night not to have completed the report, the timing of which means that the next one-day strike by 20,000 drivers will go ahead from midnight tonight.

The executive of the Associated Society of Locomotive Engineers and Firemen, which declined to take part in the inquiry, may have to adjourn a session of its executive called for this afternoon until tomorrow.

As the rail network was shut down yesterday for the fifth successive Sunday, speculation continued that Lord McCarthy might recommend payment of the 3 per cent so far withheld from train drivers, and that the issue of flexible working be referred through the industry's own machinery for resolution within a matter of days.

Senior BR courses insisted last night that it would require a firm recommendation in favour of flexible rostering from the inquiry team and acceptance of that principle from Aslef before they would agree to payment of the 3 per cent. It remained open to the board to reject the report if those two issues were not settled.

Such a move would then leave the Railway Staff National Tribunal, which like the inquiry is chaired by Lord McCarthy, with the task of deciding the extent of variations to the eight-hour day.

Mr. Mervyn Evans, general secretary of the Transport and General Workers' Union, and British Airways management will hold talks today on the dispute involving 2,000 BA ground staff at Heathrow (the Press Association reports). The meeting was called after shop stewards rejected a BA peace formula on Saturday.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

BA yesterday operated 85 per cent of its European services out of Heathrow, using volunteers to load luggage.

McAliskey charms the voters

By Donald Macintyre, Labour Correspondent

In a crowd she is easily dwarfed by the people who flock around to glimpse or shake the hand of the small woman the world probably still knows best as Bernadette Devlin. Although she is now

placed after mass meetings in the Dublin North Central constituency by the name that made headlines 13 years ago when she won a seat at Westminster.

Three election campaigns later "Bernie" as many people in Dublin call her, is contesting a general election in what she describes as "my country" for the first time. Her message is very similar to the one that she took to the voters of Mid Ulster at the age of 21.

She excites loathing and liking in equal measures for her political stance, but now, as she trudges the suburban streets seeking support, there is also sympathy.

There is only a slight trace of a limp to remind people of the injuries she suffered a year ago when she was left unconscious after a "loyalist" assassination attempt.

good luck. Guts, determination, toughness and plain speaking are some of the words used by people who although they will not vote for her admire the spirit and fight of the woman who has chosen to stand in the same constituency as Mr Charles Haughey, the opposition leader.

Mrs McAliskey is standing as an Independent backed by the People's Democracy and began her campaign with a donation of £100 from a prominent trade unionist and £10 more thrust into her hand by a passer-by. A hard core of 50 supporters work with her each day to put across the message of Irish unity, British withdrawal from northern Ireland, withdrawal of the EEC workers, control of the economy and the maintenance of the republic's neutrality.

A full High Court hearing is expected to take place today when Provisional Sinn Féin attempt to have a conditional order quashing a government ban on them being allowed a party political broadcast made absolute.

who works in the Wingham unemployment benefit office, was warned that he would be disciplined if he defied local management instructions not to take unauthorized time off to attend the course every Thursday for 10 weeks at the Manchester Polytechnic.

He defied the ban for three weeks, and the CPSA last week brought him out on strike for the day to avoid the disciplinary procedure. Staff on official strike cannot be disciplined for unauthorized absence. In addition, 27 staff at the benefit office where he works walked out on Friday for half a day in protest over the time-off controversy.

The first attempt to implement stricter policy on time off for trade union activity in the Civil Service has prompted regulatory strike action. Ministers are expected to give the go-ahead shortly to rules aimed at monitoring more closely the "facility time" granted to officials of the Civil Service unions to carry out their elected duties.

But even before the tighter controls are introduced, the Civil and Public Services Association (CPSA) has brought out on strike a Manchester clerical officer so that he can attend a TUC foundation course for union officials.

Mr David Gazdecki, aged 30,

who works in the Wingham unemployment benefit office, was warned that he would be disciplined if he defied local management instructions not to take unauthorized time off to attend the course every Thursday for 10 weeks at the Manchester Polytechnic.

He defied the ban for three weeks, and the CPSA last week brought him out on strike for the day to avoid the disciplinary procedure. Staff on official strike cannot be disciplined for unauthorized absence. In addition, 27 staff at the benefit office where he works walked out on Friday for half a day in protest over the time-off controversy.

Science report

History of the biggest visitor

By the Staff of "Nature"

The chequered history of the largest single meteorite fragment to have reached the surface of the earth in recent times has been revealed by a series of measurements of short-lived radioactive materials carried out in Tokyo University and in San Diego, California.

The meteorite, which fell in the Jilin province, China on March 8, 1976, is estimated to have weighed about four tons of fragments recovered from the surface of the earth, the largest consisting of a lump of rock weighing about two tons.

The investigations carried out suggest that the Jilin meteorite was part of a much larger interplanetary object, which about half a million years ago.

The Jilin meteorite has been recognized for years to have been one of the largest extraterrestrial objects to have reached the surface of the earth in recent times. Only in the past few years, however, have samples of the meteorite been made available to investigators outside China. Although Chinese studies reveal fragments of the meteorite soon after its fall provided some information about its previous history, the data from the latest investigations are neither revealing nor reliable.

Investigations of newly fallen meteorites are potentially valuable because they can throw light on the recent history of the earth and, in particular, on the exposure to cosmic rays. Such bombardment induces measurable radioactivity in the outer and more directly exposed layers of a meteorite. The length of time for which those layers have been exposed to cosmic rays. By similar measurements of samples taken from different depths beneath the surface of a meteorite, it is possible to work out the position of the meteorite fragment reaching the surface of the earth within the presumably larger object of which it was a part.

Measurements of radioactivity within the Jilin meteorite have been carried out by M. Honda of the University of Tokyo and K. Nishizumi of the University of California at San Diego. Together with a group of associates at Japanese universities, one of the radioactive materials used in the analysis, the isotope of aluminium called aluminium-26, occurs in a meteorite in a clearly useful guide to the history of the Jilin meteorite.

From the distribution of this and other radioactive isotopes within the fragments of the Jilin meteorite, available for analysis, Honda and his colleagues conclude that the meteorite which produced the fragments falling over China in 1976 was a lump of rock about a metre and half across, which had been travelling through interplanetary space in that form for about 400,000 years.

Before that, however, the distribution of radioactivity within the rock appears to show that the Jilin meteorite had been part of a larger interplanetary body, perhaps as much as ten metres in diameter, but situated within about a metre of its surface. The measurements also suggest that the Jilin meteorite had existed in that form for the best part of 10 million years.

The interest of this series of difficult measurements is that it illustrates the detailed history of an interplanetary body may be reconstructed from more or less routine measurements of the distribution of radioactive materials within the fragment. It is a more detailed understanding of the natural history of interplanetary meteoritic material.

Source: *Earth and Planetary Science Letters* (January, vol. 57, p. 101), 1982.

© Nature-Times News Service, 1982.

BLAST AT

Three shops of Newton A were badly damaged by a fire started by a car abandoned on the road.

Local Radio on

Education Study

The Fellowship

Thompson Road, Weybridge, Surrey.

BLAST AT

Three shops of Newton A were badly damaged by a fire started by a car abandoned on the road.

Local Radio on

Education Study

The Fellowship

Thompson Road, Weybridge, Surrey.

BLAST AT

Three shops of Newton A were badly damaged by a fire started by a car abandoned on the road.

Local Radio on

Education Study

Premium Bonds

£8 MILLION TO BE WON-EVERY MONTH

There's no more exciting way of saving. Every month Premium Bonds pay out over 100,000 prizes, including a top prize of £250,000.

On top of that there are weekly prizes of £25,000, £50,000, and £100,000. All prizes are tax free.

Even if you don't win you can't lose. Because your numbers go back into the draw month after month. And you can always get your money back.

Premium Bonds are sold in £1 units, and the minimum purchase is five.

But you can buy up to £10,000 worth, and the more you hold the better your chances of winning.

You get them at banks and post offices, where you'll also find a leaflet if you want more detailed information.

National Savings

هكذا من الأصل

Havers may act if rape outcry is not heeded

The public outcry about rape victims being subjected to humiliating cross-examination in court on their previous sexual experiences may lead to changes in police procedures and in the attitude of judges which would make new legislation unnecessary, Sir Michael Havers, QC, the Attorney General said yesterday.

But he agreed that the Sexual Offences (Amendment) Act, 1976, which was designed to protect women from unnecessary cross-examination, was not always strictly observed in court, as an article in *The Times* on February 10 had pointed out.

"It may be that the reaction will be sufficient, that common sense will become clear and that this Act will be applied in the way that Parliament intended it to be," he said. "But if it is not, then of course we shall have to consider legislation."

Sir Michael, interviewed by Mr. Brian Walden on the Independent Television programme *Weekend World*, was asked whether, where medical evidence showed that violence had been used, the burden of proof should be shifted on to the male defendant to show that the woman had consented.

Sir Michael replied that that would involve radical, fundamental change, but did not rule it out.

"A programme like this and a public outcry like this is very valuable because it

By George Clark

makes all of us who have to deal with the law concentrate and become aware of the problems. The basic problem is that we must encourage women to come forward so that the rapists are convicted."

Asked if the Government would legislate to insist on automatic jail sentences for all convicted rapists, the Attorney General said: "We shall have to consider this very carefully. I think, really, the issue has been resolved by what the Lord Chief Justice has said."

"He has given a directive to all judges that except in wholly exceptional cases a rapist must go to prison at once. But if we have an automatic sentence I believe it will lead in a number of cases of minor rape... to juries finding a defendant not guilty."

He had in mind a case where a man persisted with a woman who had perhaps "gone off him" after a long relationship. If a jury knew there was a mandatory jail sentence they would find him not guilty, Sir Michael did not want to risk that happening because the jury did not want the man jailed automatically.

What action he might take on legislation would depend to some extent on what changes were brought in by the police and by the judges. He wanted to see complainants sympathetically treated

by the police, and examined, if possible, in hospital and not at the police station, by a woman doctor, if available.

The programme included reconstructed scenes from trials, based on reports compiled by Zeussanna Adler, who wrote *The Times* article last week. "I am horrified by what I have seen in the programme today and by the article in *The Times* last week," Sir Michael said.

He was pressed to give his opinion about judges who had turned a blind eye to the 1976 Act. "The judges are just like any other human beings," he replied. "Some will be seeing this programme, they read the newspapers, they react to the climate of public opinion just like anyone else."

"I would suspect that a lot of them, when they are faced with the problem, are going to look at it in a new light in the future. If they do not, there is of course the power to legislate to restrict cross-examination even more. But in my opinion it is very tight at this moment."

The programme included the results of a poll taken by Opinion Research, using a sample of more than 1,000 women between the ages of 16 and 50. They felt well enough protected by the law against rapists. Only 14 per cent replied "yes", and 79 per cent replied "no", while 7 per cent were unsure.



Dawn patrol: Group leaders striding out on Dartmoor on a course to prepare them for the Ten Tors expedition.

Learning to brave the elements

Teams of young people training for this year's testing Dartmoor Ten Tors expedition are likely to be better prepared than last April, when one group was lost for more than two days in a sudden blizzard (Craig Seton writes).

Over the weekend the Dartmoor Rescue Group held a special course for the managers of the fifty or so teams which will soon begin training for the May expedition organized every year for young people from schools, colleges, the Services and youth clubs. They walk different

distances, depending on their age and experience.

Last year's snowstorm caused chaos among the groups training for the expedition on Dartmoor and a big rescue operation had to be launched when air cadets were missing. They were found, suffering from exposure, and there was later criticism that some of the teams were ill prepared for the conditions that Dartmoor can suddenly produce.

This weekend's "walking confer-

ence" was designed to ensure that such a dangerous situation does not arise again. Mr. William Ames, the rescue group's secretary, said the team managers were taken out over the moor so that they could appreciate the difficulties that would be faced by young people who would probably be carrying heavy packs and facing bad weather for the first time. The managers were also told about the absolute necessity for their teams to wear the right clothing and carry the right equipment.

Local radio 'fails on politics'

By Kenneth Gosling

Local radio is given low marks for its coverage of political affairs in a report prepared for the Independent Broadcasting Authority under its fellowship scheme.

Dr. Anthony Wright, a lecturer at Birmingham University, says: "In the mainstream of local radio, as one education producer remarked, it is difficult to believe that people are actually learning anything very much about politics."

"Something must rub off from news items, interviews, and phone-ins, insofar as listeners encounter these, but it is doubtful if much real political education is taking place."

Dr. Wright says local radio, while claiming to encompass, represent, and integrate an entire local population, is prone to lock itself into a bland and breezy consensual style that carries with it a distaste for, and neglect of, local conflicts and disagreements, exemplified by its neglect of local politics. But, he says, is a profoundly mistaken view of what a community is.

The modern local government system and the issues surrounding it are complex enough to require considerable expertise in unravelling them; yet only a handful of stations have a reporter or producer specializing in covering the local political system.

The absence of such expertise, Dr. Wright adds, has seriously affected both the quantity and quality of political broadcasting in local radio. "It is one important reason why local radio has failed to have the impact on local democracy that was promised in its foundation documents."

It was surprising and disappointing that local BBC stations had not been adventurous in political broadcasting.

Local Radio and Local Democracy: A Study in Political Education by Anthony Wright (The Fellowship Officer, IBA, 70 Brompton Road, London SW3 1EX, free).

EEC talks unlikely to bridge price gap

By John Young, Agriculture Correspondent

On the eve of the resumption of the EEC farm price talks in Brussels, Mr. Peter Walker, Minister of Agriculture, said yesterday that the common agricultural policy (CAP) should not be blamed for all food price increases.

There was a common misconception that there was a direct relationship between price increases decided as part of the CAP and the overall increase in the price of food, he said. It was important to recognize that the CAP price fixing was but one ingredient.

"Increases in world prices of such foodstuffs as vegetable oils, coffee, tea and tropical fruits, and fluctuations in commodity prices such as eggs, fruits, vegetables and many meats arise not from CAP price fixing but by forces of supply and demand, including, of course, the weather," he said.

Wage increases for retailers and food processors, energy and other costs, also had an important impact on prices.

The talks are unlikely to make more than minimal progress towards bridging the gap between the 9 per cent average increase recommended by the European Commission and the 16 per cent being requested by the Association of European Farmers' Unions (COPA).

Most agriculture ministers, including Mr. Walker, want farmers to get as much as possible, but neither they nor their Cabinet colleagues can afford to ignore the protests of the food industry and of

consumer groups who are opposed to any rises.

Another hindrance to progress is the hiatus caused by the general election in Ireland. Moreover, even if agreement were to be reached in principle, the British Government has said it will veto any increases until the issue of its budget contributions has been settled.

One of the most contentious issues is likely to be the projected increase in butter prices, together with a proposed reduction in the special subsidy to British consumers.

Relationships within the Community have not been helped by the latest wrangle between Britain and France over allegedly illegal government subsidies to French farmers.

At the weekend the Ministry of Agriculture took the unusual step of issuing an unsigned statement rejecting in highly undiplomatic language a statement made by the French agricultural attaché in London.

"We are all amused at the pathetic attempt of an official of the French Embassy to suggest that the national aids poured into French agriculture by the French Government are in any way in line with those provided in Britain," it said.

"Everybody in Europe knows that the French Government's injection into the French agricultural bank, Credit Agricole, to subsidize interest rates to French farmers is now equal to about 80 per cent of the total British agriculture budget."

400% bus fares rise forecast

By David Walker

Bus fares in South Yorkshire are to rise by 400 per cent more as the county council becomes the local authority to heed the Law Lords' judgment condemning the Greater London Council's cheap fares scheme.

Labour members of the council, which covers the Sheffield to Doncaster area, are likely when they meet this evening to accept legal advice and plan a large fares rise. They will also promise a campaign of public agitation in the hope of persuading the Government to change the law to legalize substantial council subsidies for public transport.

Since the Law Lords' verdict, which appeared to place strict limits on the amount of subsidy for fares from the rates, West Midlands County Council has abandoned cheap fares, and Merseyside County Council has jettisoned plans for a fares cut.

South Yorkshire's councillors have known for weeks of strong legal advice against their 10-year-old policy of keeping fares to a minimum. But their decision to accept it is linked with a weekend meeting between councillors and members of the Labour Shadow Cabinet attending a party conference in Sheffield. The MPs promised that a future Labour government would reform subsidy arrangements, but Mr. Gerald Kaufman, Labour spokesman on the environment, said that meanwhile Labour leaders could not support breaking the law on the issue.

Bus fares in the Sheffield, Rotherham, Barnsley and Doncaster areas have scarcely risen since the mid-1970s. The distance, about 10 miles from Barnsley to Sheffield can be travelled by bus for 26p. Long rides within Sheffield cost only 4p.

In the wake of the GLC case and the successful challenge in the High Court to rates levied by the West Midlands council, lawyers have urged South Yorkshire council at least to show willingness in making a fares increase.

Sick pay scheme 'will hit the poor'

By Pat Healy, Social Services Correspondent

Government plans to make employers take over responsibility for paying sickness benefit will worsen the position of those low paid workers who are already being dismissed for being sick, it is claimed today.

The warning is given in a report by the Greater London Citizens' Advice Bureaux Service after a survey of employees seeking help because of dismissals connected with ill health.

More than 80 per cent of the people questioned had been dismissed when they sought advice from bureaux. The employer had specifically stated sickness as the reason in nearly three quarters of the cases, but one in four had been off ill for three days or less when they were dismissed and most had taken less than a week's sick leave the previous year.

Most of the people surveyed were low paid: 49 per cent earned less than £61 a week and 92 per cent less than £81. Most were manual workers and nearly 40 per cent were from ethnic minorities.

Only 17 per cent belonged to trade unions.

Most of the employers were found to be either ignorant of current legislation or ignoring it. Nearly half the dismissed employees had not been given either notice or pay in lieu, and 60 per cent had no written contract of employment or statement of their working terms and conditions.

Who Pays Sick Pay? (Greater London Citizens' Advice Bureaux Service, 31 Wellington Street, London, WC2E 7QH, free).

NEWS IN SUMMARY

Alert over paraquat in river

Water supplies to 150 families were cut off yesterday after paraquat weedkiller contaminated a river and a stream. Police set up special patrols to guard the stream, at Morley, West Yorkshire, and warned thousands of people to keep away.

The paraquat escaped from storage drums after an explosion at a transport depot. The chemical mixed with water from firemen's hoses and poured into the stream. It also seeped into the River Calder, which runs through Morley, Wakefield and Castleford.

The Yorkshire Water Authority said tests had shown there was no danger to domestic water supplies, but as a precaution the families would remain disconnected for the time being.

A West Yorkshire police spokesman said: "It is vital that people stay away from this river. The chemical is highly toxic and can easily kill. It will be at least three days before the danger passes."

New route for A27 section

The new route for the eight-mile section of the A27 trunk road between Havant, Hampshire, and Chichester, West Sussex, has been announced after a public inquiry that lasted several weeks.

The road will pass north of the excavated Roman palace at Fishbourne, near Chichester, and join the Chichester by-pass at its western end.

Announcing the new route, Mr. Kenneth Clarke, Parliamentary Under-Secretary of State for Transport, said it would serve as a by-pass for several communities along the existing section of the A27 between Havant and Chichester.

Ilkerton man backed

The National Executive Committee of the Labour Party has endorsed Councillor David Bookbinder as prospective parliamentary candidate for Ilkerton, Derbyshire. Mr. Bookbinder, the leader of Derbyshire County Council, was adopted by the constituency Labour Party in preference to the sitting member, Mr. Raymond Fletcher, MP.

A TIMES EXCLUSIVE



From Victoria Wine, a case of excellent 1978 Claret for only £33.

A remarkable offer from Victoria Wine available to 1000 Times readers.

Twelve bottles of Chateau Haut Sociondo, a fine chateau-bottled claret from the Côtes de Blaye.

David Bedford, Master of Wine for Victoria Wine describes it as "A very good, inexpensive claret with a good, deep colour and a rich, fruity nose. Ready for drinking now but can be laid down for a little longer if desired."

The wine will be delivered to your nearest Victoria Wine shop within about 14 days of receipt of your coupon and remittance, where applicable.

However, in the interests of fairness and exclusivity, the offer is limited to one case per person.

VICTORIA WINE CO. LTD., BROOK HOUSE, CHERTSEY ROAD, WORKING, SURREY.

VICTORIA WINE

VICTORIA WINE COMPANY LIMITED
Brook House, Chertsey Road, Woking, Surrey GU21 5BE
Telephone: 04862 5060

THIS COUPON MAY BE SENT TO THE ABOVE ADDRESS OR HANDED IN AT ANY VICTORIA WINE SHOP (For your nearest Victoria Wine Shop see telephone directory. In case of difficulty ring Woking 5060 extension 225 Mon-Fri 9am-5pm.)

Please arrange for your special offer of one case of Chateau Haut Sociondo, at £33 per case (inc. VAT) to be made available for me at the following Victoria Wine Shop:

ADDRESS OF SHOP

☐ I enclose my cheque for £33 on the understanding that it will be returned to me should your limited stock of wine be sold before you receive my order.
☐ I prefer to pay by credit card or charge card (Access, Barclaycard/Visa, Diners Club, American Express) and will sign a sales voucher for £33 when I collect the goods from your shop.

I understand that if within 30 days I am dissatisfied for any reason with the quality of the wine I may return it and £2.75 per bottle will be re-funded.

NAME

ADDRESS

SIGNATURE

TEL

This offer closes at the end of February 1982.

Advanced electrical test for BL Cars.

Cars built by BL now pass through a more comprehensive inspection process than ever.

And one of the most advanced checking methods is a unique Vehicle Electrical Testing System developed jointly by BL and Ferranti.

The computer-controlled VETS equipment, as it is called, is now installed in each of BL's car assembly plants.

Within a matter of

minutes it can check the most complex electrical system - carrying out up to 150 individual tests and giving an instant read-out of results on monitor screens as well as a printed record.

The system is so versatile that testing programmes are tailor-made for specific model ranges and derivatives.

BL Fighting back

THE SINGLE HOMELESS WORSE OFF

Single homeless people face a particularly third-class treatment from a Government acting by stealth, Mr. Andrew Bennett, Labour MP for Stockport, North, said on Saturday.

He told the general meeting of Chas, the campaign for single homeless people, that weekly benefit to those people had been cut by £5.20, or 22 per cent, on top of an across-the-board cut equivalent to three weeks' money for all claimants of unemployment and social security benefits.

The meeting at Leeds University also heard details of alleged discrimination against single homeless claimants in Leeds, Manchester, Liverpool, Newcastle, Bradford, Birmingham, Swansea and London.

Chas today publishes a practical guide.

Supplementary Benefits for Single Homeless People, Chas, 27 John Adam Street, London, WC2E 7JL plus 30p p&p.

DISPUTE AT REFINERY IS SETTLED

Fifteen hundred workers at Shell's Stanlow oil refinery, at Ellesmere Port, Cheshire, voted yesterday to accept the company's offer of an 8 per cent local allowance increase. Shell, which had been prompted to begin shutting down the refinery because of sanctions imposed by the men, began a return to full operations.

The company has lifted the suspension order on the employees and has guaranteed that no disciplinary action will be taken. The Stanlow workers were the only group at Shell's four refineries not to accept the company's offer.

The 800 employees of the Merseyside and North Wales Electricity Board will be recommended at mass meetings today to accept a peace formula worked out between management and unions and call off their 12-day-old strike over the suspension of four colleagues.

SDP constitutional convention/London



Hand signals: Mr Roy Jenkins in thoughtful and challenging mood in winding up the SDP convention in London yesterday.

Enemies in partnership of fear, Jenkins says

By John Winder and Amanda Haigh

Mr Roy Jenkins said the SDP's remarkable successes of 1981 had come close to uniting the two old major parties in a partnership of fear against the Social Democratic Party.

Mr Jenkins, who was winding up the two-day convention at Kensington, outlined party policy on industrial relations after its MPs' split vote on the Employment Bill in the Commons last Monday.

He said the convention had necessarily dealt only with the framework of machinery and not with the substance of policy, but every day it became more clear that the unique contribution the party and its Liberal allies could make was becoming more necessary and more urgent to the country.

The two main parties feared the SDP more than they feared each other. Their narrow dogmas had alienated more and more people and would never achieve a widening appeal across classes, regions and occupations. They had replied by trying to pretend that the SDP was all things to all men and women. It was not true.

There were many for whom there was no room in the SDP. It had no place for class warriors or for those who wanted to fight outdated ideological battles; no place for little Englanders; for those selfishly concerned with their own problems and not with those of their neighbours and the nation as a whole.

The Labour Party went increasingly into its chauvinist bunker and the Conservative Party showed little or no concern for the problems of the developing and poor nations.

The SDP had a specific industrial relations message on many points with which the employment Bill did not deal. Britain at work was a split society with energies of unions and management too often dissipated in a struggle with each other and no single action of government would do more to transform Britain's prospects than the establishment of a common purpose between management and workers. That required a new framework of industrial relations.

For industries to meet the international challenge they must be liberated from the industrial relations structure, which mirrored the conflict of the old two-party system. The SDP approach would have four points to bring the unions back to their members; to encourage profit-sharing on a larger scale and to tackle abuses of trade union power.

Their aim remained firm and clear: to form a majority government with their partners in the alliance after the next election. He concluded: "Let us be determined to make 1982 as remarkable as 1981 has been and let us never forget our responsibility for the hopes we have aroused, the hopes of so many throughout the country who have been searching, sometimes subconsciously, for years past for new opening, a new opportunity and a new deal. How we and the alliance conduct ourselves will determine whether we can make those hopes reality. It is a great opportunity, but a great responsibility."

Constitution to run a decade

The constitution being prepared at the constitutional convention should run through the history of the party for a decade, Dr David Owen (MP for Plymouth, Devonport) said in opening the convention on Saturday.

He said that the constitution which emerged would not be one which could not be changed, but no representative there should be under any illusion that the framework produced would have the maximum impact to be at Hillhead, where they all wished Mr Roy Jenkins very success.

The alliance, he said, would reach an agreement on seats allocation, but no one should be under illusion about how difficult the task was. No local party organization did not want its own SDP candidate, and equally not a single Liberal Party did not want to field a Liberal candidate. It was an immense challenge but they would succeed.

The press would highlight the odd difficulties and they must not be critical of them

for doing their job. At that point, demonstrators from Islington interrupted from the gallery shouting, among other things: "Give us an unemployment centre in Islington." The two men and a woman refused their large banner and were escorted quietly away by officials.

Dr Owen resumed, saying that the SDP would reduce the numbers of unemployed by responding to the challenges which faced the nation.

Three options on picking leader

The conference spent a great part of yesterday morning debating the method of election of the party leader. The decision on the method of election will be put to the party's 78,000 members who will be faced with three options, including election by MPs, by the whole membership or election by all members now and by MPs at some later stage.

Mr Grant Crawford (Blackney), moved an amendment saying that the person provisionally elected leader of the parliamentary party should only take office if endorsed by a majority of party members voting by post.

As a potential Prime Minister, the SDP leader must have the confidence of the parliamentary committee, he said. The amendment recognized that it was unacceptable for MPs to have a leader foisted on them but also that all members had a right to be satisfied with the party leader.

Mr David Heap (West Glamorgan) moved an amendment to provide for ratification of the leader, after election by MPs, by the council. He said they were not choosing a winner and loser, but a victor and a prize among equals.

The Four might well have been a gang, but they had been a team and when they moved on, they would still be friends. That had been the strength of the collective leadership.

Mr Humphry Berkeley (Hounslow), former Conservative MP for Lancaster, moved an amendment to allow election by MPs without the need for ratification. He said that he could claim no political virginity since he was probably the only person in the hall who had been an elected delegate at both Conservative and Labour conferences. They could not ask MPs to vote for a leader and then tell them they were wrong.

Endorsement by council or membership inevitably involved the possibility of rejection which his political instincts told him would make the party look ridiculous.

Mr Jonathan Marks (Kensington and Chelsea) moved an amendment to provide for election by the whole membership until the next general election and then by MPs. He said the present parliamentary party could not claim to be a representative body for electing the leader. The party had a large and well-informed and sensible membership who should be asked to make the initial, vital choice.

Mr Kenneth MacDonald (Glasgow, South) moved an amendment to provide for election by the membership until there were 100 SDP MPs, when election would revert to them.

Mr Mike Thomas (MP for Newcastle-upon-Tyne, East), moved an amendment to provide for election by the membership with a compulsory review of the system after three years.

He said under the present unfair election system, the SDP might still have very few MPs after the election. The 78,000 members should be given the right to choose.

Mr Eric Owen (Clwyd) moved an amendment to provide for election by the membership without a formal review of the system later. He said there must be no backtracking on the fundamental principle of one member, one vote.

Mr Chris Foy (Brighton and Hove) said that an endorsement process could leave them facing two ways. It was a bodging arrangement.

Mr Norman Jones (Leeds) said that the parliamentary group was too small to elect the leader.

Mr Christopher Pitchers (Leicestershire) said that he did not share the view that MPs would always make a cool, dispassionate and correct decision. Mr Foot and

Mrs Thatcher had been elected by MPs; Mr Steel by party members. Leaving aside policies, who was the best leader? As a new party the SDP should trust the membership with important decisions.

Mr Robert MacLennan (MP for Caithness and Sutherland) said the steering committee had decided it was inappropriate to express its own majority view again on the issue but rather that they should not deal with the substance of the amendments but simply suggest to the convention an appropriate means of putting the issues to the membership at large.

Each representative had a printed ballot paper with the options arranged on it.

Representatives voted as follows: for election of the leader by MPs: 63; for election by the membership now, changing to election by MPs at later stages: 73; for election by the whole membership: 163. Prolonged applause greeted announcement of the latter figure.

Of those voting for the first option 17 went on to vote for ratification of the election by the council; 37 for no ratification; six for ratification by the members and three for ratification by council with alternatives to follow if ratification were refused.

Of those who voted for the second main option 62 voted for changes after the next election and 11 for changes after SDP parliamentary strength reaches 100. Of those who voted for the final option, 83 voted for a compulsory review after three years and 81 for no formal review, with two not voting.

Dr David Owen then announced that as a result the membership would be asked to decide between three options of election by MPs; election by full membership of the party until an election and then reverting the election to the parliamentary party; and, thirdly, election by full membership with a review of the method in three years' time.

Against the wishes of the steering committee, the convention voted by 143 votes to 124 to enable the constitution to be amended if a majority of the council and a ballot of all members favoured it.

The convention was split on whether there should be positive discrimination to enable women and men to be elected in equal numbers to the Council for Social Democracy.

A recounted vote, demanded by representatives showed 150 for and 150 against a proposal that council members from any area should include at least one member of each sex. Areas will elect two or three members. An earlier vote had shown 145 in favour of the proposition and 146 against.

Mr Roy Jenkins indicated from the chair that the whole membership will now decide the issue by putting the issues to the membership at large.

A large majority accepted a steering committee proposal by Mrs Shirley Williams, MP for Crosby, setting out the composition of the Council of Social Democracy, to comprise a president, members elected by each area party, all party MPs and members co-opted by the council.

Mrs Williams said the council would have the right to co-opt up to 5 per cent of its members to represent groups in society not otherwise represented and to recruit individuals whose contribution to the party was regarded by the council as indispensable.

Each area should elect a man and a woman and those consisting of more than three constituencies would have a third representative of either sex. That was not a philosophy of positive discrimination but a policy of equal opportunity, she said.

Political institutions were profoundly unrepresentative. Women made up 52 per cent of the population, but only 3.1 per cent of the Commons. There was not one black or brown MP in a theoretically representative Commons, she said.

Mr Trevor Beswick (East Cheshire) moved the amendment to reject the positive discrimination element. He said that women's groups pushing for positive action knew they would not get office by other means. Mrs Williams had not needed positive discrimination to get where she was. The SDP should remain totally non-discriminatory.

Mr Mike Thomas (MP for Newcastle-upon-Tyne, East) said the constitution of the party should guarantee members' right to see a balanced short-list for parliamentary candidates but there was no obligation to select either women or men.

enable women and men to be elected in equal numbers to the Council for Social Democracy.

A recounted vote, demanded by representatives showed 150 for and 150 against a proposal that council members from any area should include at least one member of each sex. Areas will elect two or three members. An earlier vote had shown 145 in favour of the proposition and 146 against.

Mr Roy Jenkins indicated from the chair that the whole membership will now decide the issue by putting the issues to the membership at large.

A large majority accepted a steering committee proposal by Mrs Shirley Williams, MP for Crosby, setting out the composition of the Council of Social Democracy, to comprise a president, members elected by each area party, all party MPs and members co-opted by the council.

Mrs Williams said the council would have the right to co-opt up to 5 per cent of its members to represent groups in society not otherwise represented and to recruit individuals whose contribution to the party was regarded by the council as indispensable.

Each area should elect a man and a woman and those consisting of more than three constituencies would have a third representative of either sex. That was not a philosophy of positive discrimination but a policy of equal opportunity, she said.

Political institutions were profoundly unrepresentative. Women made up 52 per cent of the population, but only 3.1 per cent of the Commons. There was not one black or brown MP in a theoretically representative Commons, she said.

Mr Trevor Beswick (East Cheshire) moved the amendment to reject the positive discrimination element. He said that women's groups pushing for positive action knew they would not get office by other means. Mrs Williams had not needed positive discrimination to get where she was. The SDP should remain totally non-discriminatory.

Mr Mike Thomas (MP for Newcastle-upon-Tyne, East) said the constitution of the party should guarantee members' right to see a balanced short-list for parliamentary candidates but there was no obligation to select either women or men.

Mr Roy Jenkins indicated from the chair that the whole membership will now decide the issue by putting the issues to the membership at large.

A large majority accepted a steering committee proposal by Mrs Shirley Williams, MP for Crosby, setting out the composition of the Council of Social Democracy, to comprise a president, members elected by each area party, all party MPs and members co-opted by the council.

Mrs Williams said the council would have the right to co-opt up to 5 per cent of its members to represent groups in society not otherwise represented and to recruit individuals whose contribution to the party was regarded by the council as indispensable.

Each area should elect a man and a woman and those consisting of more than three constituencies would have a third representative of either sex. That was not a philosophy of positive discrimination but a policy of equal opportunity, she said.

Political institutions were profoundly unrepresentative. Women made up 52 per cent of the population, but only 3.1 per cent of the Commons. There was not one black or brown MP in a theoretically representative Commons, she said.

Mr Trevor Beswick (East Cheshire) moved the amendment to reject the positive discrimination element. He said that women's groups pushing for positive action knew they would not get office by other means. Mrs Williams had not needed positive discrimination to get where she was. The SDP should remain totally non-discriminatory.

Mr Mike Thomas (MP for Newcastle-upon-Tyne, East) said the constitution of the party should guarantee members' right to see a balanced short-list for parliamentary candidates but there was no obligation to select either women or men.

Mr Roy Jenkins indicated from the chair that the whole membership will now decide the issue by putting the issues to the membership at large.

A large majority accepted a steering committee proposal by Mrs Shirley Williams, MP for Crosby, setting out the composition of the Council of Social Democracy, to comprise a president, members elected by each area party, all party MPs and members co-opted by the council.

Mrs Williams said the council would have the right to co-opt up to 5 per cent of its members to represent groups in society not otherwise represented and to recruit individuals whose contribution to the party was regarded by the council as indispensable.

Each area should elect a man and a woman and those consisting of more than three constituencies would have a third representative of either sex. That was not a philosophy of positive discrimination but a policy of equal opportunity, she said.

Political institutions were profoundly unrepresentative. Women made up 52 per cent of the population, but only 3.1 per cent of the Commons. There was not one black or brown MP in a theoretically representative Commons, she said.

Mr Trevor Beswick (East Cheshire) moved the amendment to reject the positive discrimination element. He said that women's groups pushing for positive action knew they would not get office by other means. Mrs Williams had not needed positive discrimination to get where she was. The SDP should remain totally non-discriminatory.

Mr Mike Thomas (MP for Newcastle-upon-Tyne, East) said the constitution of the party should guarantee members' right to see a balanced short-list for parliamentary candidates but there was no obligation to select either women or men.

Mr Roy Jenkins indicated from the chair that the whole membership will now decide the issue by putting the issues to the membership at large.

A large majority accepted a steering committee proposal by Mrs Shirley Williams, MP for Crosby, setting out the composition of the Council of Social Democracy, to comprise a president, members elected by each area party, all party MPs and members co-opted by the council.

Mrs Williams said the council would have the right to co-opt up to 5 per cent of its members to represent groups in society not otherwise represented and to recruit individuals whose contribution to the party was regarded by the council as indispensable.

Introducing the debate on selection of candidates, he said that the constitution as proposed by the steering committee would establish the important principle that no process of short-listing would tend to restrict the choice to an unreasonable way to all men, all women or all local candidates. A reserve power to the National Committee to add two names to a short list was only intended for use in extremis.

Mr Ashley Steinhausen (Brent) opposed the proposal to move an amendment to delete the requirements that minimum numbers of men and of women respectively should be on the short-list. Why should women be the only group singled out for special support? They had under-representation of black people and to be consistent should have positive discrimination in their favour.

Mr Roger Fox (Belling) said that to put two women on a short-list of six to nine was hardly a great act of positive discrimination. And Mrs Billa Nixon (North Norfolk) said that women would still have to get there by merit.

The proposal would ensure that they had a chance. Mr Fred Bleach (Mid Surrey) said that if there was a lack of women it was not because of discrimination but because of lack of confidence in coming forward.

The steering committee amendment was carried after the Brent amendment was narrowly rejected on a show of hands. That amendment was again rejected, by 172 votes to 126, after appeals for a counted vote.

The convention voted by 147 to 116 to delete from its constitution a statement that the party would have concern for the individual regardless of "sexual orientation". It retained a commitment to create an open, classless and more equal society which rejected prejudices based on sex, race or religion.

Mr Kenneth Brown (North West Derbyshire) moved the amendment to delete the phrase, saying it seemed to have been written by a mixture of a Whitehall bureaucrat and a woman's page of The Guardian.

Ms Gillian Walker (South Shropshire) opposing the deletion said Mr Brown's amendment was designed to "purge the party of queers". She was repeatedly heckled as she said the wish to delete "sexual orientation" meant the mover of the amendment would discriminate against homosexuals. She was sickened and repulsed by the thinking behind the amendment.

Ms Polly Toynbee, for the steering committee, said the reference to "sexual orientation" should be retained. It was put into the constitution as a sign of the party's commitment to the fair treatment of minorities of all kinds. One in 10 of the population was homosexual though an inescapable fact of nature. They were harassed and persecuted, many lost their jobs and lesbian women often lost the custody of their children.

Members voted that area parties should retain 20 per cent of members' subscriptions after hearing that the local parties were starved of funds and might not have the money to fight elections successfully.

An amendment to the draft constitution that the national committee should direct that at least 20 per cent of

members' subscriptions should be returned to their area party was agreed by 172 votes to 107.

An amendment was also agreed that decisions relating to subscriptions should be taken by the Council for Social Democracy, having considered the advice from the national committee, where the power had rested.

Mr Peter Bickby (Bradford), who moved the amendment, said that the level of subscription should be set by the council, said that area members had thought that the national committee decision to allow the areas to take £3 this year—from subscriptions applied to all members—was in fact applied only to new members.

Mr Tony Slade (Belling), moving the amendment for the 20 per cent deduction, said it was vital. The party believed in decentralization, but could not have it if the parties were starved of funds.

Members paid £11, a high subscription for a political party, and it was unreasonable to expect them to dig into their pockets and raise funds for all their activities. Belling had 35 candidates for local elections, costing £3,500 which the area did not have. If more money was not returned to local parties to fight local elections, they would not win and would not have a power base for the general election.

Mr John Rist (Aberdeen) said area parties must be guaranteed a minimum amount for local business. It was easy at the centre to forget desperate financial needs of local groups.

Mr Peter Vevers (Wiltshire) said the money should go to the central party because of the danger of local parties dissipating the money, leaving the party vulnerable.

Mr Ian Wrigglesworth (MP for Teeside, Northumbria, and vice-chairman of the party's finance and general purposes committee) said the party faced an enormous task on finance. Unlike the Conservative Party or the Labour Party it could not have a pipeline from either big business or trade unions.

The first year's budget at SDP headquarters was £750,000, compared with more than £2m at Labour head office and more than £4m for Conservative administration. The party was by no means in the big league, and it wanted to maintain its base in members rather than institutions.

The committee understood the problems for local areas in building the party. That was why it had introduced the £3 rebate on new member subscriptions as a recruitment incentive. The 20 per cent amendment would be a severe blow to the national administration and budget. Almost certainly staff would have to be made redundant.

An amendment to ensure that an applicant's membership address was his or her main residence, and to allow the chief executive to delete any applicant from the membership register, with a provision for appeal to a tribunal, was rejected on the advice of the steering committee.

Mr Tim Lloyd (Islington) who moved the amendment, said that experience from the Labour Party showed that there could be real scope for infiltration into a vulnerable area and influence local authority candidate selection.

Mr Michael Foot, Leader of the Opposition, called the legal position of local authorities "overly cautious and absurd". Professor John Stewart of Birmingham University, a local government expert, told a conference session that there was no reason for panic. But he said that the notion of "fiduciary duty" raised by the Law Lords had given lawyers' opinions a novel and worrying weight in council's decisions.

It seems certain the issue will be raised in the party's national executive committee. Because of the present

leading article, page 11

Heseltine stands by government cuts

From Ronald Kershaw, Harrogate

Mr Michael Heseltine, Secretary of State for the Environment, was in unrepentant mood when he discussed central and local government cuts at the Young Conservatives' annual conference at Harrogate yesterday.

He disclosed that the Government target was "the lowest number of civil servants since the war".

He added: "In central and local government we assert our duty to scrutinize what the public sector does, to reduce it if, as now seems important, we must or to increase it when circumstances permit. Who else can discharge such a responsibility if it is not the central Government?"

Mr Heseltine said that the Government was now forced by events to retrench. At no time was that more urgent than when, at the depth of a recession, the private sector was carrying the lion's share of the strain.

No postwar Government had achieved what this Government had done in reducing the number of directly-employed civil servants. Mr Heseltine gave as an instance his own department, where "with very few redundancies we have reduced our numbers by about 10,000 people already. So it can be done."

Acknowledging that he was closely identified with the Government's attempt to reduce the cost of services in local government, Mr Heseltine said he was unrepentant.

Mr Cecil Parkinson, chairman of the Conservative Party, said earlier that he looked for nerve and guts from the Young Conservatives to stick by the policies on which the party was elected.

Mrs Margaret Thatcher had never lost her courage which would give the party another victory at the next election.

Mr Parkinson described the Social Democrats as a threat to realism. Britain must learn the cruel lessons. It took years of solemn and binding agreement, of social contracts and of concordats for people to develop their healthy distrust of instant cure-alls.

When people voted the Conservatives back in 1979 it was because they accepted that our national sickness needed surgery and intensive care. Now, half-way through the operation, the patient faces a new trial.

It comes from the SDP's answer to extra-parliamentary action, that showman and travelling salesman who has now set up his stall at Glasgow, Hillhead. He, with his two sales assistants, Brian and Shirley Grinwick, burst in selling an unlabelled, rose-coloured instant cure-out-of-claret bottles.

"I say to the country, 'do not swallow it. You have had it before, it did you great harm. It cost you dearly. It would set you back years'."

He said of the SDP conference at Kensington: "Wonder if they have reached the clauses on 'party unity', 'obeying the party whip' and 'collective responsibility'." He offered them a word of friendly advice that these should be drafted rather loosely.

Mr Parkinson said in reference to the five SDP MPs who ignored their party whip on the Employment Bill last week and to the five others who abstained: "It was the classic O. turn. A tightly formed ring of con-men, and beware."

Now the electorate will know what they are voting for if they vote SDP. They will be voting for trade union reform, against trade union reform and for abstaining on trade union reform."

The weakness of the nationalized industries was not in the quality of the people who worked for them. The failure was in the lack of any clear understanding of what was expected of those industries.

The system frustrated success, Mr Heseltine said. To cheer he added: "So we shall always be prepared to consider, and where appropriate to act, to restore

private sector and individual ownership."

Nobody should doubt the concern of the Government about the level of unemployment. It would exhaust every policy initiative that could contribute to genuine growth. He said he saw the lack of work, the absence of personal satisfaction, the denial of achievement as a corrupting force beyond measure."

Earlier the conference had rejected a motion from Wallace Young Conservatives noting with regret the "perceived hardness" in the Government's attitude towards the unemployed and calling on the Cabinet to take a more positive approach "in emphasizing our party's philosophy of uniting the nation."

On ethnic minorities, Mr Heseltine said: "The issue is directly about how in a short period of time we have seen that the black community believes that the opportunities open to it are as real in practice as the opportunities open to everyone else."

Mr Heseltine said that the Government was now forced by events to retrench. At no time was that more urgent than when, at the depth of a recession, the private sector was carrying the lion's share of the strain.

No postwar Government had achieved what this Government had done in reducing the number of directly-employed civil servants. Mr Heseltine gave as an instance his own department, where "with very few redundancies we have reduced our numbers by about 10,000 people already. So it can be done."

Acknowledging that he was closely identified with the Government's attempt to reduce the cost of services in local government, Mr Heseltine said he was unrepentant.

Mr Cecil Parkinson, chairman of the Conservative Party, said earlier that he looked for nerve and guts from the Young Conservatives to stick by the policies on which the party was elected.

Mrs Margaret Thatcher had never lost her courage which would give the party another victory at the next election.

Mr Parkinson described the Social Democrats as a threat to realism. Britain must learn the cruel lessons. It took years of solemn and binding agreement, of social contracts and of concordats for people to develop their healthy distrust of instant cure-alls.

When people voted the Conservatives back in 1979 it was because they accepted that our national sickness needed surgery and intensive care. Now, half-way through the operation, the patient faces a new trial.

It comes from the SDP's answer to extra-parliamentary action, that showman and travelling salesman who has now set up his stall at Glasgow, Hillhead. He, with his two sales assistants, Brian and Shirley Grinwick, burst in selling an unlabelled, rose-coloured instant cure-out-of-claret bottles.

"I say to the country, 'do not swallow it. You have had it before, it did you great harm. It cost you dearly. It would set you back years'."

He said of the SDP conference at Kensington: "Wonder if they have reached the clauses on 'party unity', 'obeying the party whip' and 'collective responsibility'." He offered them a word of friendly advice that these should be drafted rather loosely.

Mr Parkinson said in reference to the five SDP MPs who ignored their party whip on the Employment Bill last week and to the five others who abstained: "It was the classic O. turn. A tightly formed ring of con-men, and beware."

Now the electorate will know what they are voting for if they vote SDP. They will be voting for trade union reform, against trade union reform and for abstaining on trade union reform."

The weakness of the nationalized industries was not in the quality of the people who worked for them. The failure was in the lack of any clear understanding of what was expected of those industries.

The system frustrated success, Mr Heseltine said. To cheer he added: "So we shall always be prepared to consider, and where appropriate to act, to restore

private sector and individual ownership."

Nobody should doubt the concern of the Government about the level of unemployment. It would exhaust every policy initiative that could contribute to genuine growth. He said he saw the lack of work, the absence of personal satisfaction, the denial of achievement as a corrupting force beyond measure."

Earlier the conference had rejected a motion from Wallace Young Conservatives noting with regret the "perceived hardness" in the Government's attitude towards the unemployed and calling on the Cabinet to take a more positive approach "in emphasizing our party's philosophy of uniting the nation."

On ethnic minorities, Mr Heseltine said: "The issue is directly about how in a short period of time we have seen that the black community believes that the opportunities open to it are as real in practice as the opportunities open to everyone else."

Mr Heseltine said that the Government was now forced by events to retrench. At no time was that more urgent than when, at the depth of a recession, the private sector was carrying the lion's share of the strain.

No postwar Government had achieved what this Government had done in reducing the number of directly-employed civil servants. Mr Heseltine gave as an instance his own department, where "with very few redundancies we have reduced our numbers by about 10,000 people already. So it can be done."

Acknowledging that he was closely identified with the Government's attempt to reduce the cost of services in local government, Mr Heseltine said he was unrepentant.

Mr Cecil Parkinson, chairman of the Conservative Party, said earlier that he looked for nerve and guts from the Young Conservatives to stick by the policies on which the party was elected.

Mrs Margaret Thatcher had never lost her courage which would give the party another victory at the next election.

Mr Parkinson described the Social Democrats as a threat to realism. Britain must learn the cruel lessons. It took years of solemn and binding agreement, of social contracts and of concordats for people to develop their healthy distrust of instant cure-alls.

When people voted the Conservatives back in 1979 it was because they accepted that our national sickness needed surgery and intensive care. Now, half-way through the

Warsaw keeps protest alive with candles

From Roger Boyes, Warsaw, Feb 14

Lights flickered briefly and candles of protest shone from Warsaw windows last night by the time there was no violent street demonstrations in the Polish capital to mark two months of martial law.

Reports from Gdansk today said that police and soldiers had cordoned off the memorial to shipyard workers killed in 1970 in case it again became a rallying point for demonstrators, but it is still unclear whether there were any clashes last night.

Solidarity leaflets in the capital had called for passive demonstrations, industrial go-slows, the wearing of black armbands, a symbolic black-out between 9 pm and 9.15 pm. In fact, this advice was only partially followed: in Nowy Swiat, a central thoroughfare, about one in five lights were switched off in apartment blocks.

The lukewarm response to the underground appeals may well have been influenced by a massive show of strength on Thursday and Friday nights when columns of armoured vehicles drove to and fro in the capital during the rush hour.

Certainly the object in Gdansk appears to have been, as one Solidarity sympathizer put it, "green and yellow" — women and children had planned to march through the streets but it is uncertain whether they managed to go ahead with their plans in the face of a particularly strong military presence.

"There was a soldier in front of every shopfront," said on traveller who arrived in the capital yesterday. All telephone links with Gdansk are cut.

Two unconfirmed reports of passive protests in Wroclaw and Lodz have reached the capital, but again the police and Army, though much in evidence, appear to have been under strict instruction not to over-react.

Communist sources say that there has been considerable criticism in Gdansk about the way that the police handled a demonstration in the port two weeks ago, a demonstration which turned into a riot partly because of the excessive toughness of the riot police.

There is still some mystery about the township of Swidnik, near Lublin, where according to initial reports from the official PAP news agency, there was substantial unrest. Curfew had been imposed from 7 pm, the highest in the country, and the telephone network cut off. A subsequent message from PAP then told editors to ignore the report but no explanation was offered.

Swidnik helicopter factory was the scene of unrest in the first few days after the imposition of martial law on December 13, with soldiers, according to one unconfirmed report, firing blanks over the heads of the crowd.

Summary trials in both

military and civil courts have been continuing. The latest verdict, however, is not for organising strikes but for espionage, thus fitting into the general propaganda thrust of linking the Central Intelligence Agency with the Polish crisis.

Mr Bogdan Walewski, a former employee of the Polish Foreign Ministry, was sentenced to 25 years' imprisonment and 10 years' deprivation of civil liberty — making an early amnesty impossible — for revealing the names of Polish agents to the CIA.

The prosecution had demanded the death sentence. Mr Walewski had previously worked in the United States personnel department, the Polish Embassy in Moscow and the Polish Foreign Ministry's protocol section.

□ Moscow: Mr Nikolai Tikhonov, the Soviet Prime Minister, was today quoted as saying that the Soviet Union had a vital interest in the reestablishment of normal life in Poland and was giving its ally considerable economic aid (Reuters Reports). In an interview with a Japanese newspaper, released here by Tass, Mr Tikhonov gave the Kremlin's unambiguous backing to the imposition of martial law in Poland.

But he gave no clear indication of how far Moscow was prepared to go in shoring up the Polish economy and helping Warsaw pay its debts to the West.

Western defence

US tells allies to pay fair share

Munich, Feb 14.—Mr Caspar Weinberger, the United States Secretary, called on Western Europe yesterday to contribute more to the defence of the Western alliance, and to curb trade with the Soviet bloc.

His remarks were followed today by a call from General Bernard Roberts, Nato's Supreme Commander, in Europe, to the allies to increase their defence spending from 3 per cent to 4 per cent a year in real terms.

Both men were addressing a meeting of 150 Western military and political officials, including Dr Josef Luns, the Nato Secretary-General.

Mr Weinberger warned them that latent isolationism could be revived in the United States — which would be "a great tragedy" — if West Europeans did not assume what he called a fair share of rising defence costs.

Ordinary Americans might ask whether protection for their allies was necessary or sensible if there were a lack of response from Europe, said Mr Weinberger who is on his way home from a Middle East tour, this could lead to great difficulties in Congress.

He said the annual 3 per cent target increase in defence spending would not be very useful if it went solely on pay rises for soldiers and not on raising the alliance's firepower.



Mr Weinberger: Threat of isolationism.

General Rogers said he wanted a 4 per cent increase to counter what he called the "worrying weakness" of the West against Soviet military might. Nato's conventional forces must be strengthened, he said.

On trade, Mr Weinberger reinforced American opposition to a proposed pipeline bringing Soviet gas to Western Europe, and called for what he called a return to discipline in trade with the Soviet bloc, which there were no objections to trade as such, but Soviet block military strength should not be further improved by Western technological expertise.

Families of cooking oil victims stage sit-in

From Our Correspondent Madrid, Feb 14

Some 800 relatives of people who were killed or disabled by adulterated cooking oil today continued their sit-in which began last Friday in 20 churches in Madrid and towns near by. They are demanding improved medical care, speedier payment of special compensation and fuller information about the nature of the illness.

With the death toll from the "toxic syndrome", now standing at 262, and with probably permanent lesions noted in many of the 17,000 who were made sick, the protesters are demanding a meeting with Señor Manuel Nuñez Perez, the Minister of Health and Consumer Affairs.

They intend to present a petition to him seeking authorization of abortion for pregnant women suffering from the illness. Abortion is outlawed in Spain.

Nine months after the first case of the toxic syndrome was recorded at Torrejon, near Madrid, no antidote for the poison has been found.

At a news conference called here yesterday in reaction to the sit-in representatives of the Ministry of Health and Consumer Affairs said that so far 800 pesetas (£4.4m) have been paid out in special compensations.

Air-sea search for 15 crew called off

The Atlantic air and sea search for 15 missing seamen has been called off, Falmouth coastguards said, because there was no hope of finding any further survivors from the Greek vessel Victory (the Press Association reports).

Seventeen men who had been clinging to the ship's stern section were winched to safety on Saturday by a Lynx helicopter although one man was later found dead.

Of the rest of the 32-man crew, all but two had taken to a lifeboat. A Nimrod search aircraft sighted the craft empty and badly damaged, according to a coast-guard spokesman who also said that the other two men gave up clinging to the wreck of the Victory late on Friday night when it developed a 45-degree list. "It is impossible for anyone to survive in the sea for more than six hours in these temperatures", he said.

□ The final rescue of 16 seamen from the Victory will go into archives as a classic example of the multinational air-sea rescue services based in Britain and extending well into the Western Approaches of the Atlantic, one of the most dangerous sea areas in the world (John Chatteris writes).

British, American, Dutch and Belgian ships and aircraft were involved in the operation which was all controlled by the Royal Air Force Southern Rescue Coordination Centre at Plymouth. The key to the action was the early presence overhead of RAF Nimrod long-range

aircraft whose primary role is to spot potential enemy ships. The Nimrods were able to pinpoint the scene of the impending disaster and stayed overhead night and day to guide other rescue ships and aircraft to the area.

There was particular pride yesterday at the United States Air Force base at Woodbridge in Suffolk that at last one of their F15Sc helicopters known as "Super Jolly Green Giants" of the 67th Aerospace Rescue and Recovery Squadron had been able to make an important contribution to a civilian rescue around British shores.

The big helicopters are the only aircraft of their kind in the West capable of in-flight refuelling and with a normal operational radius of 600 miles. They have seldom been able to contribute to rescue actions around Britain because of the time it takes to "scramble" — more than an hour compared with about 10 minutes for an RAF or Royal Navy rescue helicopter.

But on this occasion it was a Green Giant from Woodbridge that first reached the Victory, 800 miles west of Land's End. With some exceptional feats of airman-ship its crew managed to get a line across from the stern section of the stricken tanker to another ship.

The presence of two Lynx aircraft from Dutch frigates exercising in the area was another example of the value to air-sea rescue of NATO ships. Helicopters carry out "somewhere around" where around?

Warning on democracy by Ecevit

From Robert Schull Amsterdam, Feb 14

The Western community should refuse to tolerate Turkey's "second-rate democracy", Mr Bulent Ecevit, the former Turkish Prime Minister, said in an interview from Istanbul with Dutch television, broadcast at the weekend.

Mr Ecevit was recently released after two months in prison for defying the military regime's ban on public statements by former politicians.

Asked if he was afraid he would have to go to prison again after the interview Mr Ecevit, speaking in English, said: "I don't know, but if one wants to live in a free society, one must be prepared to contribute to the establishment or reestablishment of democracy in one's country then one should take some risks. After all, freedom and democracy are worth taking some risks for."

He was outspoken on the attitude Nato and EEC countries should take on military rule in his country.

"I should like to express my opinion in terms of the principle. If Turkey is a member of the community of the democratic nations of the West as we are, then the same criteria, the same standards of democracy should be applied to Turkey as to any other Western democratic society."

In my view, the true friends of Turkey are those who apply the same democratic criteria and who object to the violation of freedom and human rights in Turkey as they would in their own countries.

"I believe that those who are content with second rate democracy for Turkey so long as Turkey serves the security interests of the West may not be as real friends of Turkey as the others."

Mr Ecevit showed little faith in the type of democracy promised by the country's military rulers, within the framework of a new constitution to be introduced in 1984.

Ceausescu pleads for détente

From Dessu Trevisan Bucharest Feb 14

President Ceausescu of Romania has told Mr Alexander Haig that sanctions against Poland are counter-productive. During four and a half hours of talks there yesterday he urged the continuation of the East-West dialogue in general and the Helsinki process in particular in order to ease tension.

Mr Haig, who visited Bucharest on the last leg of his European tour, told a press conference here that there were differences between the two sides over the issue of martial law in Poland, but added that there was agreement and that it was important to talk and seek ways of reducing tension.

The Romanians have been particularly worried about the impasse in the Madrid review conference and the tough United States stand there. Mr Haig said that to continue business as usual while Poland was in a state of siege would be a mockery of the Helsinki Accords.

But he added, it was President Reagan's view that in time of increased tension it was "extremely important to talk to East European nations which are willing to talk and seek ways of reducing it in a constructive dialogue."

He singled out Romania for pursuing a relatively independent policy and "ever-mindful of its geography" in asserting its independence. This was taken as an indication that Washington accepted Romania on its merits and as a demonstration of American support for Romania's specific international policy.

At a time when Romania is facing considerable financial problems and a huge debt which it is hoping to have rescheduled, the Haig visit is regarded as especially important. Mr Haig said that while the question of debts could not be discussed at this level, the talks had created a good climate.

Missing persons inquiry blames security forces

From Alan McGregor, Geneva, Feb 14

Slow but sure progress in determining the fate of "disappeared persons" in a score of countries is indicated in the 1981 report of the investigating group set up two years ago by the United Nations Human Rights Commission.

Most of the missing were abducted by security forces in state-inspired terror campaigns against political opponents.

During the year the group headed by Lord Colville, British delegate to the commission, received information on 2,100 people in 22 countries. Six governments did not reply to communications: Guinea, Indonesia, Iran, Lesotho, Uganda and Zaire. Otherwise the group has established direct contact, in some cases steadily yielding information.

Two members visited Mexico last month, the first time a country under such scrutiny has opened its doors. Chile, by contrast, is refusing to cooperate, charging that the group's procedures are discriminatory. Both El Salvador and Guatemala are replying to inquiries.

Argentina is in a category by itself because of the sheer numbers who disappeared after the 1976 military coup

— no fewer than 5,000 to 6,000, although Argentine human rights bodies put the total five or six times higher. But last year only eight cases were notified to the Government and each has since been officially explained.

The group is managing to trace some of the children who were either abducted with their parents in Argentina or born in prison. It has the names of 84. Last year five others were traced and put in touch with relatives. The group often has great difficulty extracting minimal information, but with wider recognition of its humanitarian and non-political purpose, it is finding that the trickle may become a stream in response to better informed questions.

Mr Theo van Boven, director of the United Nations Human Rights Division, whose services have been dispensed with by Señor Javier Pérez de Cuellar, the new Secretary-General, was instrumental in the group's creation and has put all his weight behind it.

His departure is unlikely to mean a change of emphasis as his deputy, a Ghanaian, was formerly his country's delegate in the Human Rights Commission and also the group's first chairman.

On March 21st, the fare increases made necessary as a result of the Court of Appeal and Law Lords' ruling on the "Fares Fair" Policy will be implemented on all London Transport.

Fares will go up. London has been told that the law requires its London Transport system to be run as far as practicable on business principles and on its own resources.

Most other major cities throughout the world have decided that subsidised public transport is the only way to run a modern city efficiently.

In Paris, for example, the French Government has invested heavily and there, the traveller pays for less than half of the cost.

London Transport's subsidy, after the Court of Appeal and the Law Lords' ruling, will — after March 21st — be around 12% of its costs. The cost of Fares Fair to the London ratepayer was almost doubled by the penalties imposed by the Government withholding block grant.

Is this fair?

Should London Transport be run "as far as practicable" as a business? Should the results — higher fares — be passed on to passengers, many of whom are people who can only afford public transport?

Or should London Transport be considered as a social service, the same way that we happily look upon hospitals, schools and other public activities, with much of the cost borne by ratepayers and taxpayers?

In London, public transport has become a political "football". It isn't in Europe, so why should it be here? Public transport should be a social issue, vitally important to our entire society, whatever the income, whatever the job, whatever the function or standing.

So let's look at the entire argument. No party politics. No legal quibbles. Just facts of life in London, in 1982.

If yours is one of the 92 MP's for Greater London, tell him what you think about the facts we put before you. Ask him what he's going to do about it. And tell him to be quick. Remember, fares go up on March 21st!

ALL CHANGE?

* After March 21st, you'll notice immediate changes all over London. Bus and tube fares will increase by nearly 100% immediately.

Closure notices may appear at a number of less economic and probably more remote tube stations. Certain areas may lose bus services altogether. And you'll find there are fewer trains, and buses operating at a lesser frequency all round. Does this seem fair to you?

21 MARCH

London Transport

100% Increases

from Westminster

THE WORLD PUBLIC TRANSPORT SUBSIDY LEAGUE TABLE.

"Business" or subsidised social service? How does London measure up to other cities? Here are just some examples of proportions of costs subsidised, excluding depreciation and renewal costs.

NEW YORK	72%
MILAN	71%
BRUSSELS	70%
BERLIN	61%
PARIS	56%
LONDON (With Fares Fair Policy)	46%

After the Court of Appeal and Law Lords' ruling, as of March 21st, London Transport's subsidy will be reduced to about 12% of its costs.

Do you think this is fair?

THE ROADS AHEAD

If cheaper fares got more people on to public transport — which they did — then expect some bad news on the roads after March 21st. When it becomes more economic to use their car, then people will do so, adding to traffic jams, parking problems and accidents.

And with fewer people on the buses and tubes, they'll become "uneconomic" again, which will send fares up yet again.

A vicious circle with Londoners in the middle. Does this make sense to you?

CALL FOR AN ENQUIRY — NOW!

The Fares Fair Policy had a purpose. Lower fares gave better access to Londoners. It increased the efficiency of London's public transport system by increasing use of available services, allowing simpler fares, greater integration of the tube and bus services with BR; and allowed more automatic ticket issuing and prepayment of tickets.

To achieve the Fares Fair objectives, all the fares must be seen to be fair. And the burden on ratepayers must be fair.

But the Government will penalise the GLC financially if it tries to help London Transport by, for example, keeping fares low.

If you feel that the lower fares were fair; if you feel London should have the right to decide how it funds London Transport without being penalised by Government then ask your MP to get the law changed.

Get the issues debated fully. Have the debate carried to Parliament before March 21st. You can do it by demanding that your MP acts now. Contact him direct or use the coupon. But do it now. And help keep London Transport's fares, fair.



Tell your MP to act NOW!

TO: THE MEMBER OF PARLIAMENT FOR
HOUSE OF COMMONS, WESTMINSTER, LONDON SW1A 0AA.

I call on the Government to take immediate action to enable the GLC to maintain its present low fares policy without any reduction in services.

NAME.....
ADDRESS.....

GLC Working for London

NEWS IN SUMMARY

Council to succeed Ayatollah

New York. — President Seyyed Khamenei of Iran said in an interview that a council of three to five members would eventually succeed Ayatollah Khomeini. He also hinted that Iran was willing to buy arms from the Soviet Union.

In an interview with *Nasr*, he also said that Iran expected to win its war with Iraq very soon; that its vast economic problems were a result of the war; and that executions carried out under the Shah could not be compared with executions under the Islamic republic.

The taking of American hostages, he claimed, had provided Iran with more gains than losses.

Saying his country had been "born again," President Khamenei, a 42-year-old Muslim, admitted that the Islamic society envisioned by Ayatollah Khomeini and his followers did not yet exist.

Ayatollah Khomeini has cancelled all his appointments for the next two weeks, *Tehran* radio reported. — AP.

Cairo softens Moscow line

Cairo. — Egypt is prepared to restore ambassador-level talks with Moscow, the Kremlin promises its envoys will not violate diplomatic norms, Mr Kamal Hassan Ali, the Foreign Minister, said.

Last September, a month before his assassination, President Anwar Sadat expelled the Soviet ambassador, six Soviet diplomats and the last 1,000 Soviet experts in Egypt, accusing Moscow of plotting against him.

Lebanon bomb kills four

Beirut. — A car bomb exploded outside a Palestinian refugee camp in Sidon, south Lebanon, killing at least four people and wounding 15, *Lebanese* newspapers said.

The dead included a Palestinian bomb disposal expert who was working on the device when it exploded. He had pushed the car containing the bomb away from the camp and warned people to keep clear.

Obote invites exiles home

President Milton Obote of Uganda, who has appealed to Ugandans in exile — especially the thousands who fled to neighbouring Zaïre and the southern Sudan — to return home. He assured tribal elders that the exiles could return without fear of attacks from other tribes.

Ex-minister held in Bangladesh

Dacca. — Police have arrested Mr Abul Kashem, the former Bangladesh Youth Development Minister, who was among ministers dropped from the Cabinet on Thursday.

He is accused of sheltering a man wanted for killing at least seven people. The suspect was arrested by detectives who circled the former minister's house for four hours before he surrendered.

Nato to test air and land forces

Brussels. — Eight Nato nations are to engage in long exercises in Norway to test a mobile land and air force, Supreme Headquarters Allied Powers Europe said.

The exercise will involve some 14,000 troops from February 24 to March 24. Canada, the United States, West Germany, Norway, Britain, the Netherlands, Luxembourg and Italy will take part.

Missionary shot

Washington. — Brother James Arnold Miller of the La Salle Order, an American Roman Catholic missionary, has been shot dead in Guatemala, the State Department said. The motive was not yet known.

Korea war games

Seoul. — The United States and South Korea have begun a joint military exercise involving 157,500 troops.

CORRECTION

A report on December 29 stated that 1.5 million communists had recently been released from prison in Indonesia. The correct figure is nearer 100,000.

Pope pleads for Muslim links

From Godfrey Morrison Lagos, Feb 14

The Pope today asked for greater cooperation between Muslims and Christians after an estimated 500,000 people turned out to greet him in Kaduna in the heart of Nigeria's predominantly Muslim north.

On the third day of his African pilgrimage at an open air Mass, sung in Hausa and punctuated by African drumming, instead of the more familiar ringing of bells. The Pope ordained 90 Nigerian priests from all parts of this huge nation of 83 million people.

It is only nine months since the attempt on his life but despite a punishing schedule and temperatures in the nineties the Pope appears relaxed and speaks with that firm and deep voice which has become so familiar around the world.

At the three Masses since he arrived here on Friday the Pope has spoken in English, lingua franca of this ethnically diverse nation. Today's Mass at Kaduna was briefly interrupted by loud cheering and applause when the Pope ended his sermon with the Hausa words: "Na gode Allah" (Thanks be to God).

During the offertory the Nigerian faithful brought to the altar yards, rolls of brightly coloured African cloth, fruits, and pots of honey, but despite the exotic surroundings the fate of his fellow Poles is probably never far from the Pope's thoughts. Among the banners welcoming him at Kaduna were some that read simply "Solidarnosc" and on Tuesday he is due to meet members of the Polish community here in Lagos.

Yesterday he faced the biggest crowds of his visit when he went to Enugu and Onitsha in eastern Nigeria, home of the Ibo people and of about three-quarters of the country's five million Roman Catholics.

Members of the papal entourage estimated that almost a million people gathered to see the Pope when he celebrated Mass at a huge open space more than a square mile in area which had been bulldozed out of the virgin bush a few days earlier.

A dominant theme of the Pope's sermons and speeches has been similar to that of his first African visit two

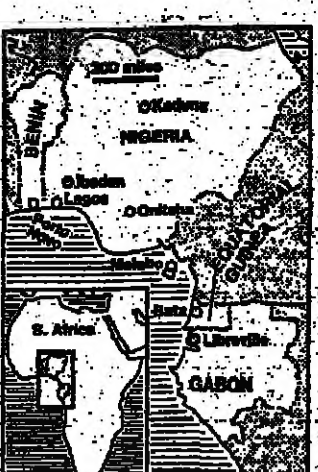


Branches of Christianity: Young people of Onitsha making sure of a good vantage point during the Pope's visit.

years ago. He is telling the Africans, in effect: "Be yourselves, but..."

When he met President Shehu Shagari and other Nigerian leaders he told them that "it is my conviction that all Africa, when allowed to

take charge of its own affairs, without being subjected to interference and pressure from any outside powers or groups, will not only stand the rest of the world by its achievements, but will be able to share its



wisdom, its sense of life, its reverence for God with other continents and nations."

Similarly in Onitsha he went out of his way to praise the importance which Africans accord to their families: "You have strong family ties. Children are regarded as a blessing and are desired as the crown of marriage. The extended family system provides a loving home and refuge for the orphan, the old and the poor. He then went on to condemn polygamy, divorce, contraception and abortion.

Addressing young people the Pope asked them to identify the ills of Nigerian society and, without mincing words, he said these included "bribery, corruption, the embezzlement of public or private funds, extravagance and wasteful spending, neglect of the poor and the friendless, the parade of wealth, nepotism, tribalism, political antagonism, denial of the rights of the poor, abortion, contraception, and other evils which ravage other countries."

When he spoke to Muslim religious leaders today the Pope said he had come to Nigeria to visit his fellow Catholics "but my journey would be incomplete without this meeting."

He said there were several areas where there could be greater cooperation between Christians and Muslims, including the promotion of "more honesty and discipline in private and public life, greater courage and wisdom in politics, the elimination of political antagonisms, and the removal of discrimination because of a person's race, colour, ethnic origin, religion or sex."

Congress to query policy on Salvador

From Nicholas Ashford Washington, Feb 14

Sharp questioning is expected as Congress returns this week on exactly what President Reagan's commitments are in Central America, after the recall this weekend of a high-ranking American official from El Salvador.

In an incident that is causing further problems for the Administration's plans to counter left-wing influence in the region, Lieutenant Colonel Harry Melander is to return to the United States this week. He was filmed by American television carrying an M16 automatic rifle with a group of four other American soldiers in El Salvador, in a breach of State Department regulations.

The five were helping in the rebuilding of a bridge blown up by guerrillas. The other soldiers have been reprimanded. State Department regulations for United States troops who are in El Salvador to train indigenous soldiers forbid the carrying of rifles or entry into likely combat areas.

The incident has come at an extremely embarrassing time for the Reagan Administration, which is expected to ask Congress in the near future for substantially increased economic and military aid throughout Central America.

A report in *The Washington Post* today is likely to increase alarm among Congressmen over exactly what the Administration intends to do to counter what it sees as the active Cuban support of revolutionary forces in the area.

The report said that the Central Intelligence Agency had agreed to a \$15m (about £10.3m) plan to build a broad political opposition to the left-wing Sandinista regime in Nicaragua and to form action teams for paramilitary political and intelligence gathering activities in Nicaragua and other Central American countries.

Mainly non-Americans would be used to carry out the proposals but Americans might possibly be involved with unspecified Cuban training. It could not be learnt whether the plan had been approved.

Its front page report, however, said that President Reagan had authorized the encouragement of political and paramilitary operations by other Central and South American governments against the Cuban presence in Nicaragua.

Administration officials see Nicaragua as a potential armed camp, supported by Cuba, to mount an insurrection in Central America and assist the guerrillas in El Salvador.

Not all Congressmen, however, see the conflict in El Salvador in the same stark terms of an East-West struggle as does the Administration and these are concerned that the United States might be supporting an unacceptable regime.

Senator Patrick Leahy, who is in El Salvador on a fact finding mission with Senator Claiborne Pell, of the Senate foreign relations committee, said at a news conference yesterday that he had met on his return with General Jose Guillermo Garcia, the Salvadoran Defence Minister had gone badly.

San Salvador: Five Salvadoran soldiers have been committed for trial for the rape and murder of three American nuns and a lay worker, President Jose Napoleon Rivera said. He also said that a sixth soldier had been freed for lack of evidence.

It also hinted that it planned further cuts in the number of Soviet representatives in Lisbon, after the expulsion of two diplomats last month. — Reuters.

President's popularity Why Reagan is out of touch with voters

From Nicholas Ashford Washington, Feb 14

President Reagan, who likes to project himself as embodying the hopes and concerns of ordinary Americans, is getting increasingly out of touch with the people who sent him to the White House a year ago.

His tour of three Mid-Western states last week glaringly demonstrated how isolated he has become. There were no walkabouts or shaking of hands of well-wishers. He was not even available for informal chats with local party dignitaries, except brief meetings with state Governors and Republican Senators.

Increasingly, the President is a leader who is seen only on television, a medium which he handles brilliantly, but which, unfortunately, makes him appear distant and aloof and arrogantly unaware of the everyday problems of Americans: battling with growing unemployment and reduced social spending.

Just how out of touch the President has become was underlined during his visit to Des Moines, the state capital of Iowa.

Most of Iowa's 2.5 million inhabitants are involved in farming or activities associated with agriculture. The main concerns of farmers at present are: low market prices, high interest rates and the threat of a Soviet grain embargo.

Yet in his 20-minute speech to the state legislature, the President did not mention farming once, and instead dealt only with the 1983 budget and his plans for a "new federalism". It was as though Mrs Thatcher had gone to Coventry to make a reference to the car industry.

Similarly, in Indiana, a state where 12 per cent of the population is out of work, he made only a passing reference to unemployment. Yet, in his 15-minute speech to the state legislature, the President did not mention unemployment once, and instead dealt only with the 1983 budget and his plans for a "new federalism". It was as though Mrs Thatcher had gone to Coventry to make a reference to the car industry.

Security, and the need to protect the President from another assassination attempt, is a party responsible for Mr Reagan's distant and aloof new. Since the attempt on

Levesque routs radicals

From John Best Ottawa, Feb 14

Mr René Levesque, the premier of Quebec, triumphed over the separatist forces of the Parti Québécois in a general election yesterday. A show of hands at a party convention in Montreal overwhelmingly endorsed his position that an independent Quebec should maintain an economic association with the rest of Canada.

The 22nd delegates also endorsed Mr Levesque's second term in office, and that independence cannot be achieved without the support of a majority of the French-speaking province's voters. The results represented a triumph for Mr Levesque, leader of the separatist party. They came after a postal referendum in 1980, in which the Premier sought to isolate radicals who had seized control of party convention in December and pushed through resolutions demanding a bolder approach to sovereignty and withdrawal of Quebec from the economic association. Ninety-five per cent of the referendum vote favoured Mr Levesque.

The Premier reassured this weekend's convention that the PQ will have the right to declare independence unilaterally. It is the next provincial election, expected until 1985, with more than 50 per cent of the vote.

Israel faces strike on Golan

From Moshe Brilliant Tel Aviv, Feb 14

Pro-Syrian Druze stepped up their anti-Israeli civil disobedience campaign on the Golan Heights today with a general strike following the weekend arrest of local leaders suspected of incitement to revolt.

Schools and businesses in the four Druze villages on the "blitzed" heights remained shut this morning, and workers employed in Israeli enterprises for the most part stayed at home despite warnings that they might lose their jobs.

Substantial Israeli forces, including units of the tough frontier police, made up largely of Israeli co-religionists of the Golan Druze, were ordered to the villages but there were no disturbances. The Druze are an Arabic speaking, national-religious minority, an offshoot of Islam.

Frontier policemen were conspicuous today protecting the homes of local Druze who have been outspokenly pro-Israel and have been ostracized by the community.

The strike call was issued yesterday after religious and lay leaders met to discuss the arrests, ordered by Mr Ariel Sharon, the Israeli Defence Minister.

The detainees, who were ordered to be held for three months without trial, include Sheikh Kamal Kanj abu Salah, a septuagenarian former speaker of the Syrian Parliament, arrested by the Israelis in 1972 as a Syrian spy but pardoned the next year as a prisoner of exchange. The others are his cousin, Salehman abu Salah, Salehman's son Kanj and Mahmoud Salah.

The Druze campaign against Israel has included a social and religious boycott of those who had taken out Israeli identity papers. Inhabitants were also urged to refuse to pay Israeli taxes and to decline Israeli health benefits and social security payments.

Last week residents in the village of Ein Kanza were said to have chased away surveyors attempting to measure their homes for tax assessment.

Jerusalem: A government spokesman said after a Cabinet meeting today that Israel would not remain idle in the face of what it sees as a threat to its superiority in the Middle East balance of power.

Relations with Washington were discussed in detail by the Cabinet after American officials travelling in the Middle East local Druze with Mr Caspar Weinberger, Defence Secretary, said Washington would seriously consider supplying Jordan with F16 military jets and Hawk surface-to-air missiles.

The Israeli spokesman said today that if such a deal went through "it would bring a new and most dangerous element into the Middle East."

'Climate of hysteria' in Lisbon

Lisbon, Feb 14. — Communists today accused the right-wing Portuguese Government of creating a "climate of hysteria" by trying to "Italianize" the country with a plot to subvert democracy.

In a television broadcast last night, Senhor Angelo Correia, the Interior Minister, said the Government had foiled an attempt to overthrow democracy after a series of "subversive actions" during the Communist one-day strike on Friday. Government statements also announced the discovery of a car-load of arms and the arrest of a small group of armed men in Lisbon.

In its leader column the Communist daily *O Dia* said the Government had done its utmost to create an atmosphere of violence and insecurity in the country.

Throughout the build up to Friday's stoppage, billed by the Communist-backed CGTP-UN union as Portugal's first general strike, the Government pursued a vigorous campaign to discredit the country of the threat they posed to democracy.

It also hinted that it planned further cuts in the number of Soviet representatives in Lisbon, after the expulsion of two diplomats last month. — Reuters.

Chirac mobilizes Gaullists

From Charles Hargrove Paris, Feb 14

As discontent spreads among the farmers, white collar workers and the trade unions, the French opposition is beginning to show its teeth — so much so that the Socialists are complaining of its aggressiveness and intolerance.

The Coalition Government is now beginning to worry about the opposition's capacity to delay or obstruct the progress of Socialism.

Mr Jacques Chirac is mobilizing his Gaullist troops, now tightly under his control, to oppose the Government on all fronts. Come the days when President Mitterrand's foreign policy almost found favour in his eyes, Mr Chirac d'Estaing and Mr Raymond Barre are slowly emerging from the wings, ready to take the lead in trying to prevent him from commanding the centre of the stage.

The opposition's problem, however, is not one of conviction or combastiveness — its "young Turks" effectively demonstrated both during recent parliamentary battles — but one of unity and leadership.

Mr Chirac is making good his party's claim at its Toulouse congress last month to be the spearhead of

the opposition forces as well as his own claim, though muted in order not to frighten away liberals and centrists, that he is their natural leader.

A poll in the latest issue of the economic magazine *Le Vie Française* shows that 47 per cent regard him as best placed to further the union with Europe, as against only 20 per cent for M Chirac d'Estaing.

Mr Chirac's lead is also confirmed by other polls. There appears to be a craving for unity, if not for actual union, among the rank and file of opposition supporters and one thing they will not tolerate is a revival of the fratricidal conflict between M Chirac and M Chirac d'Estaing. Both leaders know it is all or nothing, and the future catalyst of all opposition forces.

Against this the former President suffers the blamish



Captain Katagiri shortly after the crash.

Mr Ishikawa was said to have told the police that he had scuffled successfully with the captain in an effort to get the aircraft up again. Air safety investigators said that the fourth engine, on the right wing, was in reverse thrust when the DC8 crashed, knocking down several approach lights and plunging into the bay nearly 1,000ft short of the runway. Twenty-four people died and 250 were injured, 78 seriously.

Captain Katagiri, who took command of a DC8 on December 18, 1979, had a month's leave from November 1980, because of a psychosomatic disorder. The police said that he had suffered hallucinations since the summer of 1980. — AFP.

Deng's flowery status

From David Bonavia Peking, Feb 14

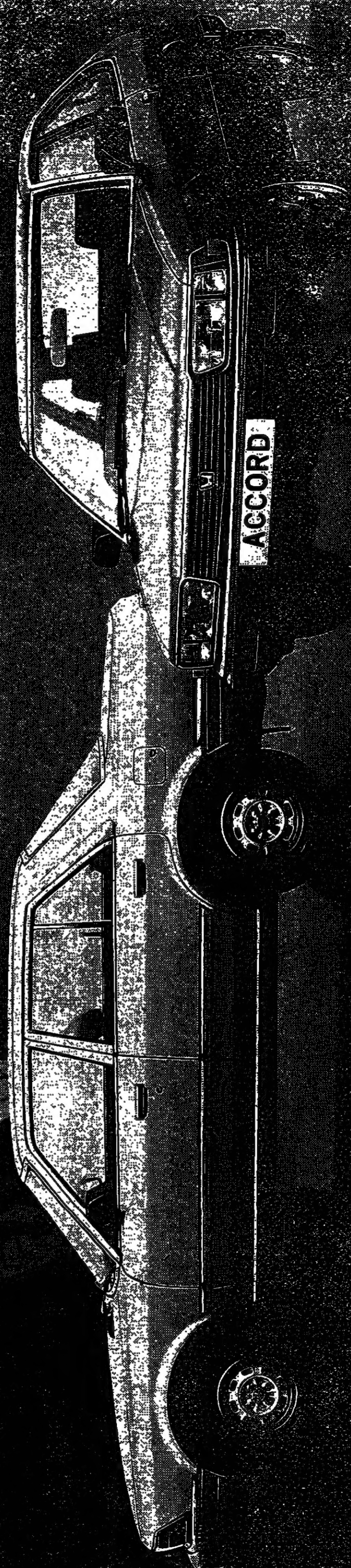
Vice-Chairman Deng Xiaoping, whose whereabouts and political status are the topic of considerable controversy just now, has sent a wreath for the funeral of Mr Wang Guilan, a relatively obscure veteran of the revolutionary struggle.

Despite a recent official statement that Mr Deng had retired to the "second rank" of the Communist Party leadership, he has been seen at a number of public occasions, sending wreaths, after Marshal Ye Jianying, the senior Vice-Chairman and China's closest equivalent to a head of state.

Mr Hu Yaobang, the Communist Party Chairman, and Mr Zhao Ziyang, the Prime Minister, were among those attending the funeral, named as a second list. Comparison of the relative importance of the leaders mentioned on each list suggests no firm conclusions about their present status.

Mr Deng, who has not been seen in public for over a month, last week sent a message of encouragement to an Army conference on forestry work, a seemingly trivial occasion. Observers believe he may be emphasizing the fact that he is still in office.

Honda take car making a dramatic stage forward.



Character from the Japanese art of drama, Kabuki.

For six years the Accord has been regarded as one of the ultimate cars in its class. But being one of the pack has never been good enough for Honda.

So, in order to make our new Accord as perfect as possible we've made a vast range of changes to the original design.

We've fractionally increased the length and width of the car making it far roomier

and more comfortable inside. We've subtly restyled the body for a smoother aerodynamic shape and improved economy.

We've increased the performance and efficiency of the proven 1602cc engine. We've made the car safer, tougher and still more resistant to corrosion.

And we've included totally new features developed and designed to make driving

simpler and even more pleasurable.

By combining the very latest technology, the latest engineering methods and even the latest thinking in driver psychology we didn't just take the design of the Accord a dramatic stage forward, we yet again set the standard for family car design.

Talk to your local Honda dealer about the new Accord and see the improvements for

yourself. If you already drive a Honda you'll be surprised. If you drive anything else you're going to be staggered.

— THE NEW ACCORD —

HONDA

The Japanese art of car making.

HONDA (UK) LTD., POWER ROAD, CHISWICK, LONDON W4 5YU.

The Times Profile: The new political think tanks

Now is the time for all intellectuals to come to the aid of their party

● The last four months have seen the birth of two new political think tanks and two new political journals. The *Taney Society* serves the SDP, the *Socialist Society*, the Bennite left. The magazines *New Socialist* and the *Journal of Economic Affairs* represent the views of the Labour left and the free market right. A third journal is to be launched in the summer as an SDP/Liberal forum. Ian Bradley profiles the competing intellectual pressure groups as they bid to influence their parties in the long run-up to the next general election.

The Left

Messages to a listening leader

Michael Foot and Tony Benn share a joint responsibility for the sense of intellectual excitement that is currently felt not just in the Labour Party but in the British left as a whole. The new Labour leader is much more open to ideas than either Sir Harold Wilson or James Callaghan, while the Bennite revolution has encouraged many left-wing intellectuals previously hostile to Labour to come within the party orbit and try and influence its policies.

The clearest sign of this latter trend was the formation last month of the *Socialist Society* which brings together for the first time since the 1930s Labour politicians and Marxist intellectuals. The society's inaugural conference was attended by Tony Benn, Eric Heffer, Ken Livingstone and Peter Tatchell. The working group behind the society's formation includes leading left-wing intellectuals like Robin Blackburn, Ralph Miliband and Raymond Williams.

The society's aim is to help create a political climate "in which socialist ideas have become part of the common sense of our age". Although it has no formal ties with the Labour Party, more than half of its first 500 members and 13 of its 30 strong steering committee (14 if you count Tariq Ali, one of the main instigators of the society and currently trying to join) are in the party.

Another recent venture springing from the same intellectual re-awakening which produced the *Socialist Society* but more closely tied to the Labour Party, has been the remarkably successful launch of the magazine *New Socialist*. It was set up last September by Labour's national executive committee with a budget of £1,000 and a circulation target of 5,000 to be reached in three years.

In fact, the first three issues have each sold around 35,000, more than the United Kingdom circulation of the *New Statesman*. James Curran, the editor, has complete editorial independence and is using contributors from the SDP and the far left as well as Labour Party members. He himself is a member of the steering committee of the *Socialist Society* and hopes to include articles by many of its leading members. The latest issue contains an interview of Michael Foot by E. P. Thompson, the historian and disarmament campaigner, and major features on Socialist Europe.

The success of these two periodicals and of the new society suggest a quickening of intellectual activity on the left which is confirmed by the present state of the Labour Party's research department. Traditionally given a more active role in policy making than its Conservative equivalent, the department is at present engaged on producing a major policy document which will appear under the title *Labour's Programme*, 1982.

The party's 12 researchers work to the Home Policy Committee, chaired by Tony Benn, and they are broadly Bennite in sympathy, voicing the common complaint of the left that recent Labour Governments have ignored manifestos and policy commitments. Morale is now much higher.

In the words of Geoff Bish, the party's head of research, "From late 1975 onwards our department was locked in a bitter struggle with the Labour Government. The speech which Jim Callaghan made to the 1976 conference was pure monetarism and we hated it. Now under the new leadership our relations with the party hierarchy are much better. We see much more of Michael Foot than we did of Wilson and Callaghan who were both suspicious of us. They were much more open to influence from the right and the City."

The only Labour think tank to escape the general sense of excitement and euphoria at the moment is the Fabian Society, the traditional home of intellectual social democracy. The Fabians have inevitably suffered from the rise of the SDP. Although they say that only 107 of their 4,000 members have left to join the new party, they have lost some of their most active pamphleteers and supporters including Shirley Williams and John Roper. Three of those who have left regularly made donations totalling £10,000 to the society.

The Centre

A sudden spawning of sub-groups

The SDP is awash with policy study groups and think tanks and seems to have succeeded in co-opting nearly half the academic establishment of the country into its policy-making process.

At the centre of its intellectual ferment is a small department headed by Christopher Smallwood, a former academic economist and Treasury mandarin, who is the SDP's policy coordinator. He oversees the activities of a growing number of policy groups (15 at the last count) made up of academics and other experts who formally report to the party's policy committee chaired by Roy Jenkins.

These groups have themselves spawned sub-groups covering more detailed areas of policy and there are also a large number of local SDP policy groups. Borrowing from his experience in the Devolution Unit of the Cabinet, Smallwood has decreed that the policy groups should produce consultative "Green Papers" after Easter for discussion by local groups. Fuller revised papers will then go to the newly elected Council of Social Democracy in October.

Involving itself in more long-term policy research and philosophical speculation will be the newest star in the social democratic intellectual firmament, the *Taney Society*. It has been set up by Lord Young of Dartington as a think tank for the new party which will provide publications and research of the kind provided for the Labour Party by the Fabian Society.

The new society has pulled in some distinguished thinkers including Peter Hall, professor of geography at Reading University, Tyrrell Burgess, reader in the philosophy of social institutions at North East London Polytechnic, Tom Burke, former executive director of Friends of the Earth, Malcolm Dean, social policy editor of *The Guardian*, and Martin Minoque, senior lecturer in the University of Manchester.

Relations with the party establishment are a little cool, not least because one of the reasons for setting up the *Taney Society* was a feeling that policy-making in the SDP has been too far concentrated at the top.

Lord Young hopes that the society will have study groups working on individual areas and will publish pamphlets and, possibly, books of a more philosophical nature. He is already editor of the *Open Forum*, a series of SDP pamphlets, while his fellow social democrat peer Lord Kennet is editing a series of SDP policy books to be published by Lord Weidenfeld.

The Liberals, who had hoped that the *Taney Society* would become a joint venture, have a more modest policy making machine. Peter Knowlson, head of policy, works almost as a one-man band although he does co-ordinate the activities of 25 separate policy panels. The Liberals also have their own mini-version of the *Taney Society*, a discussion group called *Arena* whose leading lights include William Wallace, deputy director of the Royal Institute of International Affairs, and Richard Holme, director of the National Committee for Electoral Reform. Both men are speech writers and leading policy advisers to David Steel.

Liberals and Social Democrats have equal representation on two commissions set up by the two parties to examine major areas of policy: constitutional reform, and employment and industrial recovery.

Members of the two parties are also co-operating on another venture in the field of intellectual influence and policy-making. A new journal, probably to be called *The Ally*, is to be launched in the early summer. The editor will be Christopher Layton, a former Economics Journalist and senior official with the EEC Commission. The editorial board includes David Marquand, Dick Taverne, John Horam, Richard Holme and William Wallace.

How far all this frantic intellectual activity impinges on the leadership of the SDP/Liberal alliance and produces radical new policies remains to be seen. At the moment there is a feeling that, in the words of one prominent figure in the alliance, "The membership is burrowing away and we've got to let them go through everything, even if it means we simply end up re-inventing the wheel."

The Right

Towards an election manifesto

Prominent in any catalogue of the intellectual influences on the present Conservative Government must be the Centre for Policy Studies, founded by Sir Keith Joseph in September 1974 to provide a corrective to the collectivist and dirigiste ideas which he saw as having dominated British political and economic thinking — including that of the Tories — during the twentieth century. Its critics regard it as having had a major influence in converting the Conservatives to monetarism and point to the fact that Mrs Thatcher has been intimately involved with the centre since its beginnings.

Alfred Sherman, director of studies at the centre, plays down its influence: "There's a great mythology about us among what one might call the demi-literate in the Tory Party and a feeling that ideas are much more important than they in fact are. We haven't won the soul of the party yet, but I would say

that if it wasn't for the fight we put up in 1974 Edward Heath would still be leader of the opposition."

"We have affected the economic culture rather than economic policies," he said. "We have contributed to the scepticism that there is now about neo-Keynesianism, to the feeling that it's not the railways that need electrifying but Sir Peter Parker. Keynesian remedies won't work to solve this recession because it has been caused by the attempted application of those remedies."

It is difficult to measure the centre's influence on the Prime Minister and leading members of the Cabinet. Sherman himself has direct access to Mrs Thatcher, for whom he regularly writes speeches.

Other groups representing what might be called the new intellectual right have also had a clear influence on current thinking in the Government. Prominent among them is the Institute of Economic Affairs (IEA), founded in 1957 to promote free market doctrines. Like the centre, the institute is conveniently situated in Westminster and senior Conservatives, along with members of other parties, attend its regular Hobart lunches.

Aims (formerly Aims of Industry) and the Institute of Directors are two other important intellectual pressure groups which have spread the free market gospel among educators and industrialists.

A group of leading industrialists which meets regularly under the auspices of the Centre for Policy Studies, Aims and the Institute of Directors is reckoned to have had a major influence on Government thinking. The Argonauts, as they are



Who's influencing the leaders

LABOUR

Fabian Society

Staff: 7
Budget: £85,000
Membership: 4,000
Activities: publications, meetings, 100 local groups.

Labour Party (Research Department)

Staff: 12 researchers + 6 other staff
Budget: £200,000
Activities: policy development, campaign material, briefing spokesmen and MPs, processing constituency resolutions.

Socialist Society

Staff: 2
Membership: c500, expected to grow to 1,000 in next three months
Activities: study groups, meetings, publications (including monthly video magazine), books.

New Socialist

Circulation: 35,000
The first Labour Party discussion journal. Has close links with Socialist Society.

SDP/LIBERAL

Taney Society

Membership: too early to say
Staff: 2 (unpaid) / Industrial Activities: running national and local study groups, publishing philosophical pamphlets, researching policy issues

SDP Policy Department

Staff: 2 + another to be appointed
Activities: co-ordinating efforts of 15 policy committees and servicing party and MPs.

Joint SDP / Liberal Commissions

Two commissions preparing reports on constitutional reform and employment / industrial recovery. Their policy proposals will be considered at this autumn's party conferences.

Liberal Party Policy Department

Staff: 3
Activities: servicing and co-ordinating 25 policy panels, also keeps a watching brief over Arena, Liberal discussion group, and other party activities.

"The Ally"

Probable title for new alliance journal

CONSERVATIVE

Centre for Policy Studies

Budget: refuse to disclose
Staff: 7
Activities: runs study groups & seminars; publishes pamphlets; aims to change climate of opinion

Institute of Economic Affairs

Budget: c£350,000
Staff: 14
Activities: runs seminars, publishes pamphlets and the *Journal of Economic Affairs*. Also home of the Social Affairs Unit

Aims (The Free Enterprise Organisation)

Budget: c£350,000 (but varies with campaigns)
Staff: 10
Activities: informing and persuading politicians, publishing, coordinates the Argonauts

Institute of Directors (External Affairs Function)

Budget: £300,000
Staff: 15
Activities: lobbying on company law, industrial relations and taxation

Conservative Party Research Department

Budget: not disclosed
Staff: 20
Activities: servicing back bench committees & MPs, preparing campaign material, policy preparation

The BBC Computer Programme. It tells you everything except what's best to buy.

But then, that's obvious.

The BBC's new 10-part series 'The Computer Programme' started on Sunday, February 14th, at the sensible hour of 10.10 am. (And the series will be repeated on Monday evenings, beginning March 22nd.) It's an excellent introduction to computing, and best of all, it isn't machine-specific. So you can follow it on the computer of your choice.

The computer to choose? For friendliness, capability and sheer good value, it has to be the Sinclair ZX81.

The world's best-selling personal computer. Still only £69.95

Over 260,000 ZX81s have already been sold. It's so easy to learn on, that over 50% of Britain's state secondary schools now have ZX81 systems. In Britain, the ZX81 out-sells all other personal computers — put together!

And the ZX81 is British — exported to 30 countries, including Japan and the USA!

More than just easy to master

The ZX81 is a powerful, full-facility computer, quite capable of the work you associate with larger, more expensive machines. It handles graphics, charts, animated displays. And it's the heart of a complete computer system, including massive add-on memory; the unique ZX Printer, and a catalogue of cassette-based software. All are available ex-stock now. Full details with your ZX81.

Once you've learnt a little computing, the fun (and more serious stuff) really begins. There's a whole ZX81 industry... books, magazines, clubs, dedicated software for games, junior education and business/household management. Some of the country's leading computer companies, like ICL, now

make Sinclair software. Call in at your local W.H. Smith and see just how much is on offer!

To accompany the programme — the new NEC '30-hour BASIC'

Your Sinclair computer comes complete with a free 212-page guide to computing.

And now, to tie in with the BBC series, there's a special computing correspondence course, '30-hour BASIC', run by the NEC adult education service.

A special ZX81 version of this course is available from W.H. Smith.

Price includes mains adaptor, TV and cassette recorder leads, course in computing and VAT

The ZX81 has no hidden extras. You simply take it out of its box, plug it into the aerial socket of your TV, switch on at the mains and start.

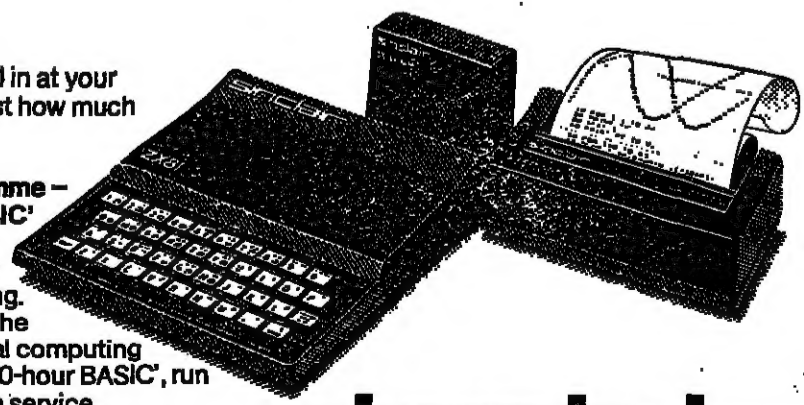
The price includes a mains adaptor (worth £8.95) and connections which fit most portable cassette recorders — useful for storing programs, on ordinary cassette tape.

How to order your ZX81

BY PHONE — Access, Barclaycard or Trustcard holders can call 01-200 0200 for personal attention, 24 hours a day.

BY FREPOST — use the no-stamp-needed coupon below. You can pay by cheque, postal order, Access, Barclaycard or Trustcard.

Please allow up to 28 days for delivery. And there's a 14-day money-back option of course. We want you to be satisfied beyond all doubt, and we have no doubt you will be.



sinclair ZX81

Sinclair Research Ltd, 6 King's Parade, Cambridge, Cambs, CB2 1SN. Tel: 0276 66104. Reg. No. 214 463 000

To: Sinclair Research Ltd, FREPOST, Cambridge, Surrey, GU15 3BR.

Please send me _____ ZX81 personal computer(s) at £72.90 (inc. £2.95 p&h).

*I enclose a cheque/postal order payable to Readers Account Sinclair Research Ltd for £ _____

*Please charge my Access/Barclaycard/Trustcard.

*Please delete/complete as applicable. Please print

Name: Mr/Mrs/Miss _____

Address _____

*Remittances shall be made payable to Readers Account Sinclair Research Ltd and shall be held on your behalf in this Account until the goods are despatched. T1007

Words and their meanings

Fraught train of thought

This morning, brothers and sisters, I am fraught with intimations of impermanence about *fraught*. It is a fashionable word. Here are a couple of examples from a notable of letters: "In matters of Love the *fraught* old courtships of such partners as Andre and Mia and even Roddy and Margaret have been overtaken by the style public pairing of Billy Connolly and Pamela Stephenson." and the other: "The position of Labour's Right on the National Executive is also more *fraught* than the victory headlines suggested."

I caught myself saying it the other day. Somebody telephoned for a general discussion of life while I was making up the Books Page. How were things, he asked. Pretty *fraught*, I heard myself saying, with a gusty sigh of resignation.

This is a recent shift in meaning: too recent to be recorded by any of the new dictionaries. The *Longman New Generation Dictionary*, published last July, in the five and a half centuries of the word's history in English until the last few

years, things had to be *fraught* not absolutely, but with something. It was originally a nautical word, meaning laden with something, and came to us from the seafaring Dutch.

Here are some examples of the former literal and transferred use of *fraught* with assured masters of Eng Lit. Macaulay: "His painted bark of *fraught* for some proud bazaar's arcades." Bacon wrote of the writings of Plinius being *fraught* with much fabulous matter much. Spenser: "That all the world's *fraught*!" Shelley: "A loftier *fraught* with his rimes the main, *fraught* with a later prize." Swift wrote, majestically, of a large memory, plentifully *fraught* with Theological Polysyllables.

We do change their meanings to meet new needs; otherwise we should still be using crafty to mean strong, and silly to mean defenceless. I put forward a suggestion of why *fraught* has changed as it has. One of the early figurative uses of *fraught* was big with the promise or menace of some-

thing or other. The English, being people who expect the worst and are seldom disappointed, tended to be *fraught* with the latter meaning. A sixteenth-century prayer speaks of this life of ours being *fraught* with vicissitudes. The idea of difficulty and adversity attached itself over the years to *fraught*.

And so we have come to use *fraught* absolutely in informal speech to mean that someone is worried and in a dither, or that conditions are vexatious. "You're looking very *fraught*, Philip!"

The new use is still too informal to be used in written English, in *The Times* at any rate, except in the clarity and thistledown parts of the paper that lack gravitas. It may be a passing vogue. The new use may become stale and mouldy and die. On the other hand, feeling *fraught* may fill a linguistic need in our Age of Anxiety. We shall see. In any case, it is an interesting shift in meaning that is taking place under our very ears.

Philip Howard

Never mind the dollar, our interest rates can come down now

by Gordon Pepper

The Government's economic policies seem to have few friends left. One reason is that we appear to have had the treatment but not the cure. The treatment is illustrated by the depressed level of production and the awful unemployment figures. The absence of a cure is suggested by inflation remaining stubbornly high; currently it is 12 per cent, and few can foresee a figure much lower than 8 per cent.

A second reason is that the Government targets for monetary and fiscal policy are seen to have been missed by a wide margin. There is in some quarters a kind of grim satisfaction in the money supply being out of control, the economy being in deep recession and inflation staying high.

This looks like a pretty formidable indictment. In my view, however, it is a misleading and short-sighted interpretation of the situation. While the Government has made many errors, not all of which were visible only with the benefit of hindsight, its broad strategy is still easily defended. This can be seen by examining the proposed alternatives, most of which involve an attempt to engineer a deflation and to dispose of inflation by introducing an incomes policy.

It cannot be claimed that this combination is a leap in the dark. If history is any guide, the outcome is scarcely less predictable than death itself.

The 1970s saw two clear episodes of engineered deflation plus income control. Mr Heath's succeeded, for a while, in reducing unemployment but was accompanied by a grotesque increase in the money supply and soaring wage and price inflation.

The second, begun by Mr Healey in 1977, is more relevant to present circumstances because the government sought to pay for fiscal expansion by additional borrowing (which is also what Messrs Gilmour, Jenkins and Shore seem to have in mind). In 1978, unemployment did fall, modestly, but interest rates rose and wage and price inflation again began to boil over.

This brings us to whether the Government's monetary and fiscal policies are indeed off course. In my judgment, although it is wise not to be categorical, it is very probable that they are not.

More precisely, monetary growth has not for long strayed far from the path laid down in the Government's Medium Term Financial Strategy, while the fiscal policy objectives have been achieved somewhat earlier than planned.

When the authorities presented the policy they stressed sterling M3, the broad definition of money which includes deposit accounts as well as current accounts and notes and coin.

The Bank of England had first published a target in 1978, seeking to affect expectations and reduce inflation and interest rates. This justified a simple target expressed for just one definition of the money supply.

An important reason for choosing M3 was a perceived link between it and the public sector borrowing requirement. The bank preferred M3 because this allowed it to argue with the Treasury that the PSBR was too high, i.e. that fiscal policy was too lax.

When the present Government's strategy was being designed, people outside official quarters were consulted. Some thought that the government could not control public revenue, because it could not control the depth of the impending recession. There was, therefore, a strong

argument for excluding the PSBR from the published strategy. In the event, it was decided that the strategy would lose credibility if this were done. Further, Treasury ministers wanted to emphasize the PSBR to strengthen their case against expenditure ministers.

So much for the presentation, which has been a pretty complete failure, but what was the underlying intent? The Green Paper on monetary control in 1980 stressed that the authorities would monitor all the def-

The right approach is part science and part art. One can usually come to a reasonable judgment but sometimes the monetary barometer is jammed...

nitions of the money supply. It is well known that when the authorities target any one definition, all previous relationships between it and everything else are liable to break down. As a corollary, the stance of monetary policy should be judged by looking at everything but the targeted variable.

The right approach is part science and part art. One can usually come to a reasonable judgment but sometimes the monetary barometer is jammed, as it was, for example, during the civil servants' dispute. One must then look at other indicators, the best one being the exchange rate. Following this general approach, it is arguable that monetary policy is currently not too loose but is, if anything, in danger of becoming too tight. The growth of the narrow monetary aggregates has decelerated in the last 12 months. M1 (which excludes deposit accounts) grew by 8 per cent in the year to mid-December, by 6 per cent per annum in the last six months and by only 1 per cent per annum in the last three. This should be compared with the target for M3 in 1981/82 of 6-10 per cent.

Sterling M3 is highly misleading at the moment. However, the more reliable and broadest aggregate, PSL2 (which includes building society deposits) has had an underlying rate of growth of about 11 per cent per annum. Although there may be certain technical problems for the future, it is reasonable to conclude that monetary growth recently has not been excessive.

Turning to fiscal policy, the underlying intent was described by Mr Nigel Lawson in January, 1980, as one of "PSBR not changing much as a proportion of gross domestic product in recession years, but falling fairly sharply in non-recession years". At that time, the PSBR was 5 per cent of GDP and is now 4.1 per cent. Instead of staying unchanged, as Mr Lawson suggested, it has fallen by 0.9 per cent of GDP, or about £2,250m. So the Government is not only broadly on track with its monetary policy but is ahead of the game with its fiscal policy.

If that is true, what are the implications? First, the period of most intense pain should be ending; the cure is starting to work. Evidence of this is:

● Inflation is starting to fall again.

● The sharp fall in economic activity ended in the second

quarter of 1981 and has been followed by a gradual recovery.

● There have been large gains in productivity.

● Unfilled vacancies have risen, short time working has fallen, overtime has increased and the rise in unemployment has slowed.

If the cure goes according to plan, the economic recovery should gradually accelerate.

There are, however, a number of worries about the future, the most immediate of which is events in the United States, where President Reagan has cut taxes but not public expenditure.

This has produced a clash between tight monetary and easy fiscal policy, with United States credits markets out of equilibrium.

Although United States inflation seems now to be falling, there will probably be either a further rise in dollar interest rates or United States economic activity will be more sluggish than is generally expected.

Pressures from the United States promise to be disruptive and contradictory. Have we no choice but for our economy to pause again while the United States is sorting itself out?

My conclusion is that we do have a choice, and those who argue that the behaviour of sterling should be the prime determinant of United Kingdom interest rates are wrong. Our interest rates should be reduced when the domestic monetary indicators suggest that such action is appropriate, whether or not United States interest rates are rising. There is a case for over-riding the domestic monetary indicators and strengthening European currencies, not if it is just falling against the dollar.

The author is joint senior partner of stockbrokers W. Greenwell & Co.

Although in 1970 I was thrown out of Hungary as a dangerous imperialist spy, I still have a relationship with it. Quite soon after my expulsion I received semi-official, or at least officially inspired, messages telling me that I ought not to make too much of the incident (after all, what is a little spying between friends?) and that if I were to apply for a Hungarian visa it would be granted.

I replied that it was nice to know this and that when I next wanted to visit Hungary I would apply. I did so in 1979, and they did grant me a visa. They also rolled out a well, not a red, but a pale pink carpet for me, received me with perfect courtesy, and enabled me to enjoy my stay at home as I still call Hungary, although I do not think of it as "home".

My feelings about Hungary have always been very ambivalent, but some things about it I definitely love: the countryside round Szilok, for example — those gentle hills and green mountains of Transdanubia. As a child it never occurred to me that the village's surroundings could be so beautiful, but when I saw them again in 1970 I realised that they were.

So what about my feelings for Britain? The English took me in at a critical period [1938] and probably saved my life; if I had not been here I would have been sent to a concentration camp or would have had to serve in a Labour Battalion; I might have come out of it alive, or I might not. But gratitude is no basis for

Winston Churchill called it "the worst disaster in British military history". Forty years ago today, some 130,000 British and Commonwealth troops surrendered to a force of 55,000 Japanese after an eight week campaign — which, apart from numerous acts of individual gallantry — was an unmitigated debacle. Those same troops then marched tamely off to the prison camps blithely singing "There'll always be an England". Singapore had fallen, and with it, a way of life, although the participants at the time did not realize this.

In the immediate aftermath there were loud demands in the Commons for an official inquiry — which never sat — and harsh words were uttered. The MP for South Ayrshire referred to Malaya as "the greatest sink of corruption in the world" and denounced the business community there as a "swindling gang of sharks". Retrospect has done little to soften this sense of righteous outrage, and the bitterness and resentment linger on.

It is an odd quirk of national character that the British can normally delude themselves that their defeat were in reality, glorious victories. The "spirit of Dunkirk" never ceases to be invoked when times are hard and the senseless heroism of the Charge of the Light Brigade is impressed on every schoolboy. In this particular year there will be a lot of fortieth anniversaries to "celebrate", if that is the right term to use, St Nazaire, Dieppe etc, but these were not the end of the world. The loss of Singapore could not be made good.

The impression that most people have of the end of the colony comes from the well-known photograph of the surrender party, the slightly ridiculous figure of Lieutenant General Arthur Percival in his flapping knee-length shorts, the incongruous tin hats and the limp Union Jack as they marched up the Bukit Timah road, tells it all. The fact remains, though, that the very act of surrender signified more than a military defeat. It was the end of an era.

For the first time in history, a major Western power had been defeated fairly and squarely in battle



General Percival (left) and other officers march with Japanese victors to surrender on February 15, 1942 — the picture that symbolized British defeat in Singapore.

Singapore: the bitterness lingers on, 40 years after

by a supposedly "inferior" Asian race. This lesson was not lost on the native inhabitants of the East. The mythical British Crown, of which they were loyal subjects, had not kept its side of the bargain — it had failed to protect them. Since the war there has been no hesitation in apportioning blame. The military blamed the greed of the civilian community, and their obstructiveness while the business community reciprocated by vilifying the blimpiness and inefficiency of the soldiery. In all this there are elements of truth — Williams dancing at Raffles Hotel while enemy bombers' droned over the defenceless city and undisciplined mobs of drunken soldiers storming the docks to try to get on to one of the last ships to leave. But who can blame those soldiers? They had no part in the wealth they had been sent to defend and they were often treated as social pariahs by the white expatriates who

placed their clubs "out of bounds" to the sweaty soldiery.

Myths and misconceptions cluster around the story of Singapore — like vultures around a corpse and these myths die hard. Perhaps the most durable one is that the island was a fortress but the guns all pointed the wrong way. The point is that the guns, although designed to fire out to sea, could mostly be trained around to fire inland, and did so. The problem was that they had the wrong ammunition — armour-piercing the sink battleships rather than high-explosive to deal with troops.

One problem that is always asked is, could Singapore have held out? Percival's defeat, is often compared unfavourably with the American General Wainwright's epic defence of Bataan, and Corregidor in the Philippines, which was roughly contemporary. Some people have claimed that if some sort of

"supreme" had been appointed the island could have held out until relieved.

The fact is, though, that the main reason for the surrender was that the water supply for the colony was situated on the mainland in Johore — and that was firmly in the hands of the Japanese. Faced by the problem of a two million civilian population and no aircraft to protect them from the almost continuous bombing, Percival had no choice. The fault lay with successive pre-war governments who failed to face up to the threat of war in the East and the inter-service rivalry that made a farce of sensible defence planning.

Of those captured, many failed to return and left their bones in the jungle work camps. Those that did come back are left today with an understandable sense of bitterness and frustration. They feel that their sacrifice has been forgotten, used as we are to tales of German camps. They claim that while POWs in Germany were enjoying concerts and studying for university courses, they were being systematically beaten, starved and humiliated.

They still hate their captors, although their protest is largely confined to a refusal to buy Japanese cars and stereos. In fact, however, it has to be pointed out that the Japanese operated under a different code to the rules

of war developed in the Western Christian nations. They tended to treat their own troops just as badly as their prisoners. Had General Percival and the rest of the officer prisoners ritually slit their stomachs open after the surrender, their captors would have held them in the highest esteem.

British historians have for many years tended to pour scorn on the poor performance of the French in 1940. They, too, believed that they had a "fortress" as they so confidently behind the Maginot Line, inviting the Germans to invade elsewhere. We built our Maginot Line in Singapore to defend against a Japanese fleet and refused to believe in the possibility of a landborne invasion.

Refusal to face the facts of the necessity for defence planning in peacetime is one of the major defects of all democracies. How can peace-loving nations prepare for war? Statesmen must believe in 1918 that the age of universal peace had dawned and when they awoke it was too late. It is this rather than any shortcomings of those on the spot which has to be blamed for the fall of Singapore.

Anthony Kemp

The author is the co-author of *The Bitter End, the Fall of Singapore 1941-42*, to be published by Anthony Kemp Publications on February 27.

Life begins at seventy

by George Mikes



George Mikes as seen by Nicolas Bentley

a solid relationship, and my love for this country is not based on it.

I like it here, and I always have. I like it here because I have lived in an earlier book I was not so positive about it. I said that during my early time in this country — I admired the English enormously but did not like them very much; today I admire them much more and love them much more. Perhaps the first part of that statement ought to have been put a little differently, but the second part of it remains exactly true.

Could I ever leave England? Friends often urge me to spend at least half of my time abroad — to buy a little house in France or Italy. I always refuse to do so. One change of country is enough for a lifetime. "But don't you want to live abroad?" they ask me. I tell them: "But I do live abroad." And I mean it. I feel perfectly at home here, this is my country, I belong to this place — yet I continue to feel that I am living among strange and peculiar people and that my real kin and kin are those even stranger and more peculiar people on the banks of the Danube.

It ought to be an unsettling situation, but it is perfectly all right with me. In any case, what can I do about it?

Would I stick to England in all circumstances? No, I would not. I would not occur to me to run away if I were threatened by a nuclear

holocaust because I have lived long enough and although I would not mind going on a little longer, if London went up in flames I would like to claim the honour of going up with it.

But if Britain turned fascist — either black or red fascist — that would be an utterly different matter. Then I would like to try to get away, and brood for the rest of my life. Fortunately, in spite of race riots, inner-

city battles, football hooliganism and all the rest, I do not take such a threat at all seriously.

The important question for me is this: is there a conflict between my allegiance to Britain and my love for Hungary? There is not, but it is possible that such a conflict might arise.

The supreme loyalty of an ancient Greek was to his city state; medieval man's loyalty was to his faith; modern man's loyalty was to his country but can often feel that the primary loyalty belongs to an idea — communism, for example. I, being a child of my times, accept the idea of allegiance to a country — or rather, to two countries.

I am a devout European. I want the whole of Europe to unite into one democratic state. For a long time I believed that I wanted this for solid and logical reasons: Britain, as a little off-shore island, could not survive alone; being insular was absurd; our economic future is bound up with that of the rest of Europe, etc etc.

I still think all this is true but now I know that my original conviction — like all convictions — was based on purely personal considerations. If Europe becomes one, if national frontiers disappear, then no conflict

can possibly arise between my allegiances and I will be able to love both my countries with a clear conscience, just as one may love say, Nottingham and Birmingham, or Northumberland and Essex.

Looking back at my life it seems that it has been a long string of anecdotes. Naturally, when I received blows they were blows, and not jokes; but somehow I have forgotten the blows and remember only the pleasant events and the anecdotes. The anecdotes are very important.

Apt and well-told stories are the spice of life and the treasures of a life-time. I was in Greece with a beautiful and clever girl friend, Eva, dining with my friends, Antonis and Eleni Samarkis, a writer, and a lawyer. Antonis started telling story and Eleni exclaimed: "Oh Antonis, I've heard that one 200 times!"

Then I started a story, and Eva sighed: "God, that one again..." And so it went on. Finally, when Eleni protested we again, Antonis turned to her and said gently: My dear Eleni, if a man's wife is bored by a man's stories there is one thing the man can do: change his wife. He can't possibly change his stories.

Quite. But it is because of all these stories that I am not a more significant writer than I am. Happily, being significant has never really been my ambition — nor

being a proper humorist. Every humorist worth his salt is neurotic, depressed and afflicted with a gastric ulcer. What sort of a humorist is a man who accepts the world as it is (not without a sigh, but accepts it), adjusts to it and likes it here?

Unlike Malcolm Muggeridge, I do not look forward to death with eager anticipation. He hopes to get to heaven but he may, of course, get the shock of his death by getting nowhere at all. I do not expect to survive in any form or fashion and have no desire to do so. What a horrible place this world would be if all the people ever born were still around. What a burden it would be on the Ministries of Pensions all over the world.

Being born involves the certainty of death. Only those countless millions, the unborn ones, are really safe. They will not die, but neither can they have any fun. I think it is one of the beauties of life that it is not eternal. It would be a frightful bore to go on and on and on, even in reasonable health.

Besides, I am used to being dead. Death is simple non-existence and we are all used to non-existence. I did not exist in 500 BC or in 34,000 BC or in 1793. Why should I not exist in 2117 or 3117 or in any different year?

Death is simply the end of the story. If one is lucky, a good end to a pleasant story. For me, if I am lucky, it will be simply the last anecdote.

George Mikes' latest book, *How To Be Seventy*, is published today, his seventieth birthday. Andre Deutsch at £7.95.

No British passports for Pitcairn

One of Britain's oldest and most remote colonial possessions is in danger of being abandoned because of increasing isolation and indifference by the mother country.

Pitcairn Island, founded in 1790 by Fletcher Christian and fellow mutineers on HMS Bounty, now has only 61 inhabitants, no regular radio contact with the outside world and only three supply ships a year.

And the islanders, of mixed British and Tahitian stock but fervently British in sentiment, have just discovered that the new Nationality Bill has deprived them of their British passports. Whitehall even forgot to invite an islander to the Royal Wedding.

Glyn Christian, a direct descendant of the man who challenged Captain Bligh — and better known in this country as the television cook on the BBC's *Pebble Mill* at One — has now launched a campaign to save his ancestral home from extinction.

The islanders, who are governed by a high commissioner resident in New Zealand, only have Morse code contact with the outside world for 10 minutes a day. In 1850 47 whaling ships called in at Pitcairn but now only northbound ships from New Zealand stop there.

Glyn Christian, who is calling for a satellite radio link, a landing strip and a bit more interest from the Foreign Office,

believes that £2m pounds will need to be raised privately if the last British colony in the South Pacific is to be saved.

Des. Res., USA

Two executives from the New York headquarters of Sotheby's Realty Corporation are in London today to argue that "desirable properties and houses of character often cost less in the USA". Among the names to conjure with they quote in their list of satisfied clients is "John De Lorean, the motor car manufacturer", who last year bought a 430-acre farm in New Jersey.

An Independent Broadcasting Authority report notes that some local BBC stations have developed a strong tradition of minority and access programmes, "so much so that one producer sometimes regarded BBC local radio as 'appealing only to a blind, bell-ringing, deaf, canal-loving member of a women's institute'."

Under-booked

You might not have noticed, but Frank Delaney's edition of *Fridays Night Saturday Morning* on BBC 2 this weekend was supposed to be a sharp reminder to the Beeb that there is a bookish audience it is shamefully neglecting. "It is a national scandal that there is no regular television programme about books," Delaney protested. BBC 2 discontinued *The Book Programme*, BBC 1 dropped *Read*

THE TIMES DIARY

Appropriately Sir Billy Butlin, the man who has been in holiday camps has the jolliest and most visited of graves.

In 1980 is buried in St John's cemetery, Jersey. The tomb, to hold 10, has a headstone with carvings depicting an amusement

park, a holiday camp with chalets and swimming pool, and the jolly children from the *peppercorn*, *Stegness* is so bracing. The bouncy yellow was a motif on all Butlin's stationery.

Lady Butlin, who has written a preface to Butlin's autobiography to be published in June, tells PHS the grave is visited by thousands of holidaymakers every year.

All about it, which achieved audiences of 3m to 4m. Delaney, whose Radio 4 *Bookshelf* raised 6,000 inquiries for a first novel competition in one week, says he also got 120 letters from a single six-minute spot on *Pebble Mill* devoted to poetry. "People are starving for lack of coverage of literature," he claims.

Anthony Burgess, one of Delaney's guests, has none the less succeeded in selling well over 500,000 copies of *Earthly Powers* internationally. How is it that English fiction sells so well without TV backing? "The dimension people have missed," Burgess told PHS, "is that the English really have had a good time in the past in which they have produced a considerable body of fiction of outstanding worth. It may be a symptom of a sick society. The first Elizabethan age had a roaring inflation, worse than we have ever known, caused by gold from the New World, and they got Shakespeares.

"The Victorians suffered malnutrition, pestilence, and extreme cruelty, and they had Tennyson, Browning and Dickens."

A type of fame

The owner of Hopkin's Crank, a Sussex farmhouse at Ditchling Common, is to commemorate with a plaque the fact that Eric Gill, the sculptor and type-designer, lived there.

Brian Manley, managing director of Philips Business Systems and present incumbent at the house, has commissioned the plaque from John Skelton, Gill's nephew and last apprentice.

In Portland stone, the plaque will be engraved with letters with square-ended serifs. Though Gill, who died in 1935, is best remembered for the still widely used Gill Sans typeface, which lacks serifs, Skelton is sure his lettering is "such as Eric might have done with a slightly up-to-date touch".

The plaque will be unveiled on Sunday by Gill's publisher, Douglas Cleverdon.

Van Lennep again?

Disagreement on the choice of a new secretary general for the Organization For Economic Cooperation and Development could leave member countries no option but to ask Emile Van Lennep to continue in his post, senior OECD diplomats said this weekend.

Van Lennep, aged 67, a former Dutch treasurer-general who has headed the Paris-based OECD since 1969, is scheduled to retire on March 31.

However, with barely six weeks left, permanent representatives of the 24 OECD countries have still to make a unanimous choice.

After several months of secret consultations, three candidates are still in the race: former Italian finance minister Filippo Maria Pandolfi, 54, who has the backing of several European states; Staffan Burenstam Linder, 51, a former Swedish minister of commerce, who is supported by five Northern European countries; and Helga Steeg, 54, a close aide to West German Economy minister Otto Lamsdorff, who is being championed by the USA and West Germany.

Against the grain

It would be appropriate if EEC agriculture ministers meeting in Brussels today had rice pudding for lunch.

Barrie Williams, deputy director-general of the Food Manufac-

turers' Federation, says that the EEC's rice regulations put 8p on the price of a pound of round-grain pudding rice in British shops, and 11p on a pound of long-grain.

These are the amounts of levy imposed to protect Italian rice farmers. Williams says the Italians cannot grow enough round-grain rice to satisfy British demand and do not produce proper long-grain rice at all. "They're sticky, sticky stuff," he says, "which might do for risotto but makes heavy going of British curries."

Signs of hope

Gaston Thorn, president of the European Commission, is a Virgo. This is the finding in a secret nine-page report drawn up by Elizabeth Tessier du Cros, a French astrologist, and now released by the commission.

The period between 1981 and 1984, coinciding with Thorn's term of office, "will be a period of profound and even brutal change. It falls to you to deal with it. Fortunately for all of us, you seem to be both an open and lucid man," the astrologist tells Thorn.

The president has to expect social violence starting on September 21, difficulties from the new moon from October 16, and an unhappy first half of November brought about by the conjunction of Saturn with Pluto. Happy events could occur on March 1 and July 23, while petroleum talks could have a good outcome on March 11.

Animal cunning

Jacques-Marcel Viney, the recently retired chef of the Ritz, honoured with a luncheon last week, had in his time cooked camel, hedgehog, rat and fox. Viney had a hard time, much of it in the kitchen, and other camps where prisoners ate what they could catch.

Rat "though dirty as an animal, is perfectly all right if you cut off the head and clean it up thoroughly. Hedgehogs are of two kinds, dog-muzzled and pig-muzzled. The pig-muzzled are much to be preferred."

The first fox he caught proved devilish hard, but the second he left in snow for two weeks and it was beautifully tender. Mr Viney has cooked camel steaks, too, but even he could not make them sound very alluring.



PHS does not know if British hedgehogs are the pig-muzzled variety Chef Viney prefers, but Major Adrian Coles has just launched the British Hedgehog Preservation Society.

The major says he met an overhelming response when he persuaded Shropshire County Council to fit hedgehog ramps to cattle grids. "People wrote to me from all over Britain and the world."

No pol when c. tution. Social themse o the n constit Kensin procees so sn clusion would the che Democ pencha. The buted r the p tend to in work ing how and on prised i be an i But pai also tha did not line n between constituti of polic. So it presentu tried to particular the atte for Had t asked t position desirable in the Hosi infulenc can be would h ing. p approval confirm Social D able, n middle-difficultly empt to

Reports sition to dent Ass with cat Deparim Damascu — is pro the mark events i towns. I hood ha show of that even counter- a still not v Armed fundamei has been organizd years, an has had and blood to root i fundamei armed f power i Assad ha notorious command Rifait. Ji an aborti disaffecti of the m — from v — drawn by the sc Sumni an There argue th Assad ha stand in ti in forma.

David Skirl bagp Mr

in the Bib they that prach with prov that public rela publicity Democratic markable c riless c riving, nov braining kr it turned a In one or brand sha market has the two m little grou Commons, i Liberal Par Slt. Grou three ways i put the trad mid curb Kensington weekend m from Labo constitution run into co drafting of tuition. A cliché t journalist at may be ada m quite i rather the Slt. and t ending. SDP is no longer David Unier the keep woun and then, a few times, e are genuine s the parties, t a more; and distraction at

هكذا من الأصل



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

REASONABLE PEOPLE

No political party is at its best when debating its own constitution. In that respect the Social Democrats have shown themselves to be representatives of the old rather than the new politics at their constitutional convention in Kensington this weekend. The proceedings were not always so smooth nor the conclusions so clear as the party would have wished. One of the characteristics of a Social Democrat seems to be a penchant for a point of order.

The difficulty can be attributed partly to the nature of the proceedings. All parties tend to become bogged down in wordy debate when deciding how to govern themselves, and one should not be surprised that the SDP failed to be an exception to this law. But part of the trouble was also that the Social Democrats did not appreciate that a clear line needs to be drawn between the function of a constitution and a statement of policy.

So the draft constitution presented to the convention tried to do too much. A particular case in point was the attempt to secure a fair role for women in the party. Had the convention been asked to approve the proposition that it would be desirable to have more women in the House of Commons and in positions of power and influence in the SDP there could be no doubt that there would have been overwhelming, probably unanimous, approval: the impression was confirmed at Kensington that Social Democrats are reasonable, enlightened and mostly middle-class people. The difficulty arose over the attempt to express a generally

accepted sentiment as to what should happen into precise rules as to what must happen.

While there was a clear majority for giving women a minimum number of places on short lists for parliamentary candidates, the sticking point for the convention was the proposal that women should have half the places on the Council for Social Democracy, which is to have the principal responsibility for party policy. The final tie, with 150 votes on each side, represented a deadlock between attachment to the principle of sexual equality and a fear of the party tying itself down with excessive regulation.

The issue will now be resolved in a ballot of all SDP Members. As with most questions concerning the internal processes of a political party, what matters most is that whatever rule is adopted should be generally acceptable, or at least adopted by generally acceptable methods. The ballot is therefore a wise provision. In casting their votes, though, the members might reflect that rigid stipulations of this sort usually work well when there is a very wide measure of agreement on them. Otherwise there will soon develop a frustration within those areas which feel that they are precluded from being represented on the national council as they would prefer.

The other principal issue that will be determined by a ballot is how the parliamentary leader should be elected. The members will be given three choices: election by the parliamentary party; by all members of the party now, but by the parliamentary party

after the next general election; and by all members of the party with a compulsory review after three years. There was a majority at the convention for the third of these choices.

If this is the preference of SDP members it will be a perfectly reasonable decision. A strong case can be made for extending party democracy as widely as possible in the belief that this is the best safeguard against the excessive influence of small cliques of activists — that evil from so many Social Democratic politicians suffered during their years in the Labour Party. But this would not be the best method of electing the leader because fellow MPs have the best opportunity of judging who would be most adequately fitted to bear the strains and trials of office. Nor would election by the whole membership be the method preferred by the steering committee.

It was significant that the convention was not prepared to be swayed by the steering committee on this question. This was one of a number of occasions over the weekend when it was apparent that the SDP will not be so amenable to central direction as many people have supposed. It has been fashionable up to now to contrast the sometimes unruly democracy of the Liberals with the greater order maintained by the Social Democrats. But it may well be that this weekend will be remembered not for the detailed decisions on the constitution but for the first strong evidence that local Social Democrats have more of a mind of their own than their leaders will always find convenient.

THE BEST ASSAD WE HAVE

Reports from Syria of opposition to the regime of President Assad need to be treated with caution. But the State Department — accused by Damascus of "exaggeration" — is probably not far wide of the mark in its assessment of events in Hama and other towns. The Muslim Brotherhood has clearly staged a show of force so impressive that even massive government counter-action has apparently still not wiped out resistance.

Armed opposition by the fundamentalist Brotherhood has been persistent and well organized over a period of years, and the Assad regime has had to resort to random and bloody terror in an effort to root it out. With Muslim fundamentalism infecting the armed forces — his own power base — President Assad has had to rely on the notorious "special brigades" commanded by his brother Rifaat. Judging by reports of an abortive coup last month, disaffection extends to officers of the minority Alawite sect — from which the Syrian elite is drawn — who are alarmed by the scale and intensity of Sunni anti-Alawite feeling.

There is a temptation to argue that since President Assad has adopted a radical stand in the Arab world and is in formal alliance with the

Soviet Union, his departure from the scene might ease matters. In fact, the reverse is almost certainly the case. The Muslim Brotherhood — despite its theoretical adherence to democracy — is an underground terrorist organization, strictly hierarchical and conspiratorial. Its declared aim is to establish a fundamentalist Islamic state. The thought of another Khomeini in Damascus — albeit a Sunni rather than Shi-ite one — is enough to send shivers up Arab as well as Western spines. The probable alternative — a regime dedicated to the total elimination of the Brotherhood — is equally unpalatable, since it would involve ruthlessness and cruelty surpassing even that of the present regime.

This leaves President Assad clinging to power, but through methods which are just this side of civil war, and have effectively crippled him as a political force on the Middle East stage. His record shows him to be a man of straightforward dealing and statesmanlike behaviour; very far from the doctrinaire radical some imagine him to be. There are indications that, if circumstances allowed, President Assad might well turn to the position he had gradually worked round to in 1977,

before Camp David, and consider the terms of an accommodation with Israel.

As long as the Assad regime is precarious, neither Israel nor the moderate Arab states can expect much beyond negative and obstructive tactics from Damascus. The danger is that Israel, seeing Syria not only torn by internal unrest but also at odds with its Arab neighbours, Jordan and Iraq, might take advantage of Syrian weakness to launch a large scale invasion of Southern Lebanon, with the aim of eliminating Palestinian bases, on the assumption that those in the area will remain as impotent on this as on the Israeli annexation of the Golan Heights.

If Jerusalem is making such calculations, it should think again. No Israeli operation can ever wipe out the Palestinians in Lebanon, which has in any case suffered enough. And there is no guarantee that Syria, however overstretched, would not respond militarily. On the contrary, might not a defensive and insecure President Assad feel obliged to prove his strength by launching the attack on Israel his detractors in Syria have long accused him of wishing to avoid at all costs?

a dangerous beast to travel in any politician's entourage.

Looking back over SDP's first year, we can accept that Mr Roy Jenkins and the rest caught a widespread public and Fleet Street mood created by the failure of the Government to fulfil the expectations of 1979, and no less by the failure of Labour to provide evidence that it could be trusted as the alternative government. The Liberal general in British politics, however, is not so often that it offered no chance of Parliamentary growth. In such circumstances a fourth national party, even if it was old wine in new bottles and labelled Premier Cru, had its attractions both as a fresh story for the media to tell excitedly and as a solution to the problems of voters who wanted to register a protest against either Conservatives or Labour.

No matter that the SDP had no settled policies. No matter that it had no Moses as leader. No matter that it had no constituency. No matter that its membership was fairly small and scattered, and pretty middle-class and of socialist leanings. No matter that it had no constitutional organization to speak of, and no candidates except for Labour renegades. All these missing elements in the prospectus would be filled in with the passing of time, and on the day after the next general election no voter needed to doubt that there would be a leader waiting for the summons from Buckingham Palace.

That was almost exactly what a public mood required during 1981. Settled policies? As Mr Jenkins saw on his retreat from socialism cut and dried policies usually turned out to be millstones, and it was better to be Asquithian and broadly say that SDP would do what was necessary when it was necessary while being consistently high minded, right minded, and marvellously

civilized. And the leadership: who should choose and who would it be? That question could go into the pending tray, along with anything else that was troublesome or against the grain of the public relations image.

Granted the growing public mood, the next move had a touch of genius. Mr David Steel, the Liberal Leader, had for a long time been convinced that his party stood no chance of power on its own, and he stood ready to deal with it into yet another fateful coalition, if he could squeeze from anybody the necessary bargain of a commitment to bring in proportional representation. So Mr Jenkins, moving off socialism, made the chief's feathers fly. It was a radical Liberal moving towards Socialism, or at any rate towards Socialist causes. The Alliance was born, and came into the world with less screaming and kicking than might have been thought likely. Mr Steel had gained a lot of Indian chiefs with an unknown number of Indians; Mr Jenkins and the Limehouse Gang had gained a lot of Indians in the constituency to justify the chief's feathers they wore. It must be admitted the bargain struck was satisfactory at first to both sides at the top, if not lower down in the Liberal Party. We now begin to see, though, all the gerrymandering that accompanies any coalition; and if ever the Alliance forms a government the in-fighting will commit political reporters to recording a kind of pornography seven days each week that may get them hailed before the Press Council.

There are times when I suspect or hope that Mr Jenkins is having fun and paying off old scores, now he is back from Brussels, over sixty, and financially fancy free. Nevertheless, in a spirit of Beaverbrookian mischief even I should like to see him win the Glasgow by-election, so long as he promises not to turn up in the Commons wearing the kilt in a fashionable cut.

Easing the burden of taxation

From Sir William Clark, MP for Croydon South (Conservative) and Mr Michael Grylls, MP for Surrey North West (Conservative)

Sir, Much of the discussion about opportunities for tax cuts open to the Chancellor in the Budget has oversimplified the issues.

The choice is not between help for business through cuts in the National Insurance surcharge and help for individuals through income tax cuts. The Chancellor needs a package which maximizes economic efficiency and stimulus to industry of the limited funds available, whilst improving incentives for individual taxpayers to work, save and invest. Equally important is the need to provide clear evidence to workers who have faced creeping tax increases in the past year, that they will receive a fair share of the rewards of better monetary control, lower pay settlements, improved productivity and company profitability.

These criteria point strongly towards easing the income tax burden on individuals as the Chancellor's immediate priority. But commerce and industry would benefit significantly from such a decision.

Economic growth and new employment are increasingly found in the self-employed and small-firm sector. Income tax cuts would be of direct assistance there. Many owners of businesses, especially retailers, find lack of consumer demand and orders a more immediate problem than property, wage or material costs. Consumer spending power is the most effective means of allocating resources to business. Some spending will go on imports, especially from other EEC States,

but progressive British firms fully accept this as a corollary of the huge home market in Europe they now enjoy.

Income tax cuts now would serve two vital purposes. First, they would put resources back with the consumer, whose economic decisions are most likely to determine business success and foster growth economy. There spending will provide extra orders needed by firms which have survived recession so far. Second, a cut in income tax would show every voter that the policies of the Government are succeeding. Ministers have often said that putting the economy right was a 10-year task and this point has not escaped the business community. We believe the re-election of a Conservative government is vital to the survival of the free enterprise system, the prosperity of business, and the standard of living of everyone.

Although we regard Labour's infamous "payroll tax" as wrong in principle and look forward to its eventual abolition, a cut in VAT would grant a large unearned benefit to the inefficient, extravagant public sector.

We are very aware of the electoral support in 1979 for the Chancellor's declared target of reducing the standard rate to 25p in the pound by the end of this parliament. That objective would be impossible to achieve without a reduction on March 9.

Yours faithfully,
WILLIAM CLARK, Chairman,
Finance Committee,
MICHAEL GRYLLES, Chairman,
Industry Committee,
House of Commons,
February 10.

Lead in petrol

From Mr L. Raphael

Sir, The reports on lead in petrol published in *The Times* this week (February 8) together with your leading article (February 9) have drawn conclusions which are not extremely different from the facts. Members of Parliament have quoted erroneous statements which grossly distort the picture.

No country at present uses exclusively lead-free petrol. The USA has made available unleaded petrol, but it is also the largest manufacturer of tetraethyl lead, used only for raising the octane number of petrol, and most of its production for the domestic market. The USSR claims that unleaded petrol is sold in its major cities, but imports large quantities of tetraethyl lead to supplement its own manufacture.

It is completely naive to imagine that lead can be eliminated from petrol overnight. West Germany upgrades its low-lead petrol (0.15 g/litre) by importing high-octane components, which would not be immediately available if all EEC countries followed the same route. Refinery processes in the United States differ from those in Europe and high-octane components supply about half the domestic market to boost unleaded petrol. A barrel of crude oil has its limitations; more high-octane petrol means other products go short.

No one will dispute that lead is toxic and can seriously damage health. The surveys showing the relationship between IQ and lead in the blood do not confirm that the subjects have absorbed lead from car exhaust fumes. Lead smelters, old paint and lead pipes for water supply are all sources of contamination. Natives in New Guinea, far removed from the effects of motor cars, were found to have blood with higher lead levels than Europeans.

Chemical weapons

From Sir Philip Goodhart, MP for Bromley, Beckenham (Conservative)

Sir, In your leading article, "Chemical arsenals" (February 10) you say that "there are no reliable estimates of the Soviet capability" as far as chemical warfare is concerned.

Our latest information in this field is classified, but it is well known that the Russians have stockpiled more than 115,000 tons of chemical weapons. This stockpile includes tens of thousands of tons of poison gas shells which are ready for immediate use. We know that they are pressing ahead with their researches on improved forms of nerve gas and blister gas, and have more than 70,000 specially trained chemical troops deployed with their forces on the Central Front. As there is no effective NATO chemical capability, efforts on behalf of Soviet specialists are obviously deployed to

disseminate and then neutralize Russian gases.

As far as chemical warfare is concerned, this country disarmed unilaterally soon after the end of World War II, and, as you say, the United States abandoned the manufacture of chemical weapons in 1969. Any surviving American stockpiles are deteriorating rapidly and, as you point out, will shortly become more dangerous to their possessors than to their potential aggressors. I have never been able to understand why so many people in Europe seem to think that unilateral nuclear disarmament by the West will produce a sympathetic response on the part of the Soviet authorities, when there is clear proof in the past decade that unilateral chemical disarmament by NATO has merely provoked an increase in Soviet stockpiles and chemical capability.

Yours faithfully,
PHILIP GOODHART,
House of Commons.

Stalemate in Cyprus

From Mr John Mylonas

Sir, Mr O. F. Mufizade (February 5) makes the point that Greece must follow Turkey's example and make efforts to find an honourable agreement in Cyprus. To my knowledge, the serious efforts on behalf of Turkey for such a solution consist of the following:

1. The invasion of Cyprus in 1974 with the intention as expressed by the then Prime Minister of "restoring the Constitution".
2. Occupation of 40 per cent of the island and expulsion of one-third of the population of Cyprus.
3. Transporting thousands of mainland Turks to the occupied area to boost the Turkish numbers.
4. Declaring the constitution dead and demanding the creation of a federated state with separate administrations.
5. Ignoring all UN resolutions calling for the withdrawal of the invading army and the return of all refugees to their homes.

6. Failing after more than seven years to reduce the size of the occupied area to anywhere near their numerical proportion, which is 18 per cent.

7. Demanding as the price of withdrawal an equal share in any future federal government.

If this is a show of Turkey's good will it would seem that it is only good will towards the minority. It is a pity that such good will is not extended to the Turkish minority in Turkey. They form the same proportion of the total, have absolutely no rights as a community, and hundreds are in jail for daring to say they are Kurds.

Finally Mr Mufizade rebukes *The Times* for not being factual, something with which I must agree. He signs his letter as the representative of the Turkish Federated State of Cyprus. To my knowledge no such state is recognized by the UN, this country or any other international organization.

Yours faithfully,
JOHN MYLONAS,
Burling Gardens, N14,
February 6.

Judgment implications on fares subsidy

From the Leader of the Greater London Council

Sir, In recent weeks the question of finance for London Transport has received much attention. Unfortunately there remains a genuine confusion over the real meaning of the law lords' judgment, in part a consequence of obfuscation by Government.

According to eminent counsel, whose opinion we sought, the judgment can only mean that all subsidy to LT — not just for fares — has to be avoided, if it is practicable to do so. As a consequence, fares must be raised, and services curtailed, until subsidy has been reduced to a minimum.

The Secretary of State for Transport is attempting to convey a different impression. He says that it is reasonable to permit subsidy to avoid further high fares increases. He says that the doubling of fares on March 21 is needed as price support for the GLC's transport policies since May 1981. On the first point, we can only agree. However, if he means it, he should legislate for it, as his statement as it stands contradicts the law lords. On the second point, he is wrong. The doubling of fares is required solely to meet the new legal requirements prescribed by the lords. The cheap fares

appreciated by Londoners since October will be paid for by a once-for-all payment from the rates. The better services that we ran (what Mr Howell in his "pewspick" calls high cost policies) cost only a tiny fraction of the sum to be raised by the fares increase.

Ever-increasing fares and ever-reducing services are a recipe for disaster; not just for passengers, but also for employers, workers, car drivers and London's residents who face congestion, delays, high costs and pollution.

Mr Howell once said that our cheap fares policy was "fatally flawed" because of the burden on the rates. His concern has to be set against the fact that his own Government increased this burden by 60 per cent by penalising our spending.

The GLC wants no additional government funds, only an end to penalties on London's ratepayers. All we want is the right to return to the position that prevailed from 1969 until the judgment, when all parties in Government and at the GLC believed that fares subsidies were legal, subject to the wishes of the London electorate.

Yours sincerely,
KEN LIVINGSTONE,
Members' Lobby,
The County Hall, SE1.

Girls' borstal problems

From Miss A. E. Mace

Sir, The pressure group, "Keep Out," has now joined in highlighting (report, February 10) the particular problems relating to Bullwood Hall borstal, Essex, which I can only agree has one of the most difficult and disturbed populations in the whole of the penal system.

A high level of tension, stress and psychiatric disturbance contributes to a degree of violence which markedly affects the future outlook for young women serving sentences there, and makes working conditions extremely tough for all staff, in whatever role they are employed.

In fourteen years of experience in the Probation and After-Care Service in various parts of the country I have entered no more depressing, sad, or occasionally frightening, institution than Bullwood Hall. When the Governor of Hill Prison, Wormwood Scrubs, drew attention to the degrading conditions in many penal institutions I was concerned that the issue about conditions in custody should not become too narrowly focused on problems of dereliction and squalor when we also need to give attention to the destructive and hopeless environment prevailing in more modern young offender institutions where overcrowding, under-staffing and lack of any opportunity to carry through a purposeful daily routine means that these institutions can achieve in a short time the

perpetuation of a supply of penal dustbin-liners for the future.

Youth custody sentences should surely only be imposed when a young offender is a danger to society or demonstrably unwilling, or unable, to respond to non-custodial alternatives.

These criteria would apply to some who reach the Bullwood Hall "end of the line". They would not apply to the majority whose future outlook is less hopeful as a result of the time they are incarcerated here in a remote part of Essex cut off from families, relatives and the community in which they have ultimately to try and re-establish themselves and lead socially acceptable lives.

I support planned closure of Bullwood Hall borstal in its present role as the only secure custodial regime for 15-21 year old females in this country. Its replacement by community-based or hospital provision for many of the girls who are presently received there, and the establishment of custodial provision on a regional basis for those girls who do need secure containment whilst they are helped towards rehabilitation, would be a welcome change.

Yours faithfully,
ANNE E. MACE,
Chief Probation Officer,
Essex Probation and After-Care Service,
Central Office,
Market Buildings,
Market Road,
Chelmsford,
Essex.

Victims of rape

From Dr Robin Moffat

Sir, May I comment upon the helpful letter from Mrs Raine Roberts concerning the fate of victims of sexual offences (February 9)? During twenty-five years police practice in London I have never sensed an "accusatory atmosphere" in the police station where rape victims are seen. In most cases the victim is asked to choose a male or female doctor and a witness such as the New York Central and Pennsylvania Railroads. On the other hand the much smaller Florida East Coast Railway, which in 1962 successfully combated a particularly vicious strike with great courage, achieved productivity deals that would transform itself into one of the world's most modern and efficient railways with correspondingly high moral amongst its employees.

Your faithfully,
J. K. MORLAND,
Chartwell House,
Punchbowl Lane,
Dorking,
Surrey,
February 11.

Productivity deals

From Mr J. K. Morland

Sir, It is astonishing that no reporter of the present dispute between British Rail and Aslef has drawn attention to what actually happened in similar circumstances in the United States.

In that country the featherbedding tactics of the powerful rail unions were a major factor in the spectacular bankruptcies of giant concerns such as the New York Central and Pennsylvania Railroads. On the other hand the much smaller Florida East Coast Railway, which in 1962 successfully combated a particularly vicious strike with great courage, achieved productivity deals that would transform itself into one of the world's most modern and efficient railways with correspondingly high moral amongst its employees.

Your faithfully,
J. K. MORLAND,
Chartwell House,
Punchbowl Lane,
Dorking,
Surrey,
February 11.

The mirror of wit

From Professor J. Gwyn Griffiths

Sir, In his instructive article on the "new Cairo style" under President Mubarak, Christopher Walker (February 5) states that "at the last count, one academic researcher had already noted 216 new anti-Sadat jokes which have been circulating since his death". He adds a suggestion that Mr Mubarak has so far achieved a very low or nil score.

One wonders whether the "jokes test" really provides a good indication. Towards the end of President Nasser's regime I spent a very happy year as guest professor at the University of Cairo, and I recall that there were jokes galore about Nasser. One of the most amusing was anachronistic ("When Nasser reached the Gate of Pearl...") and there were quips relating to his vast authority and ubiquitous presence. During later visits I heard plenty of jokes about Sadat too, although his rule began with a show of greater tolerance.

It is in any case too early to apply the test to President Mubarak. Mr Walker rightly refers to jokes as "a form of political safety valve", and forthright criticism should also not be forgotten. What Egyptians have a very rich sense of humour which is sometimes given highly sophisticated expression.

Yours sincerely,
J. GWYN GRIFFITHS,
Department of Classics and Ancient History,
University College,
Singleton Park,
Swansea.

David Wood

Skirl of the bagpipes for Mr Jenkins

On the Biblical principle that all they that take the sword shall perish with the sword, so it could prove that all they who live by public relations shall perish by publicity. Certainly the Social Democratic Party, after a remarkable year that has added stature, now begins to take a few bruising knocks from the media it courted and got courted by.

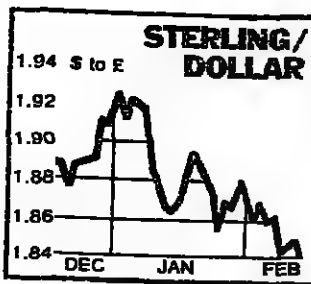
In one or two opinion polls its brand share of the electoral market has begun to slump, as the two main parties recover a little ground. Last week in the Commons, much like the dear old Liberal Party of yesteryear, the SDP Group managed to split three ways over the Tebbitt Bill to put the trade unions back under a mild curb of law, and its weakest men went off over the Kensington Town Hall over the Labour on the issue of constitutional change began to run into comic trouble with the drafting of their own constitution.

A cliché that has served every journalist at some time in his life may be adapted to serve again: not quite the honeymoon but rather the love affair between SDP and the media seems to be ending.

SDP is no longer a novelty, no longer David challenging Goliath. Unless the Gang of Four can keep winning a by-election now and then, unless they can show a few times each week that they are genuinely different from the old parties, then they will become a bore; and a journalist bored to distraction and denied his story is

BUSINESS NEWS

Gains for dollar



The dollar strengthened throughout the world last week as worries about United States interest rates. Against the pound it went up 95 points by close on Friday and against the German mark 2.1 points compared to its close on Friday February 5. Widespread hostility to President Reagan's budget proposals and the government deficits they involve has raised the worries over interest rates, which could rise to keep money supply under control.

£25m Swan Hunter order

Swan Hunter Shipbuilders on the Tyne has won an order worth about £25m to build a 42,000 tonne cargo container carrier for Lombard Maritime, London, a company owned by Lombard North Central PLC, which is part of the National Westminster Bank Group. On completion in the third quarter of 1983, the vessel will be chartered to Leif Hoegh (UK). It will be built at Wallsend Shipyards.

Textile slump 'is over'

The slump in British textile production is over, stockbrokers Phillips & Drew say in their review of the industry published today. The upturn will be very hesitant during the first half of this year, the review says, but it should gather pace during the second half as consumer demand picks up.

Industry 'coped well in slump'

British industry coped surprisingly well with the first half of the recession, according to the Industrial Performance Analysis published today by ICC Business Ratios and based on the performance of 12,000 public and private companies during the 3 1/2 years to the end of 1980.

Despite squeezed profits and liquidity problems, "in aggregate terms the results were very encouraging", the report says. Companies reacted quickly to deteriorating trading conditions by cutting output to match demand and cutting costs to cope with cash-flow problems. The most disappointing feature of the report is that it disproves analysis generally associated with trade statistics, which often stated that companies were exporting more because of the depressed home market. "Almost all industry sectors reduced their exports in the second half of 1980, as a percentage of sales", the report says.

THE WEEK AHEAD

Profit leap for Lloyds

LONDON EXCHANGE

FT Index 570.5
FT 100 Index 327.11
Bargains 19,021
(Friday's close)

Lloyds Bank gets the clearing season for the big four clearing banks under way with its final on Friday and it is expected to show a substantial leap in profits from last year's pre-tax £289.9m. Analysts estimate a rise from £355m to £382m for this, the third largest of the big banks.

Preliminary results from Lloyds Bank International, a wholly-owned subsidiary, show a considerably better than expected. Pre-tax profits were 87 per cent ahead in the year to September at £120.6m.

These results benefited from exchange rate movements and other exceptional items but were in sharp contrast to the performance of other international banks reduced with fierce competition and

Lloyds, however, has obtained most of the benefit from the lower sterling/dollar rate and analysts expect to see little further growth in 1982.

The quality of earnings in the bank sector as a whole is

ECONOMIC VIEW

Today: Industrial production figures for December are likely to show a fall in output, with manufacturing particularly hard hit. The drop may be made worse by bad weather, but coming after a similar decline in November it suggests that recovery faltered late last year.

That will not dent Government confidence that recovery is now firmly under way; a slight dip around Christmas was always expected.

But it will give the extra determination to the Engineering Employers Federation, who meet Mr Leon Brittan, the Treasury's Chief Secretary, to press for aid for businesses in the cut in the National Insurance Surcharge and changes in public spending.

In Brussels, European Finance Ministers are holding a meeting at which they may review world interest rates and prospects for the European Monetary System.

WEDNESDAY: Average earnings figures are expected to show a rise of between 1 and 1.5 per cent in December, continuing the downward trend in past years.

The average earnings index is still boosted by redundancies dispute. EEC finance ministers meeting, Brussels.

TUESDAY: Resumed meeting of shareholders of Associated Communications Corporation, London. British Railways board meets, London.

WEDNESDAY: CBI Council meeting, London. Personality Milkmen of the Year, National Dairy Centre, London.

THURSDAY: Aslef railway strike. London Transport Trade Union London committee announces Defence campaign against fare rises.

FRIDAY: The first estimate for the country's total output, the gross domestic product, is published. This rose in the third quarter of 1981 after two years of decline.

BOARD MEETINGS

TODAY: Interims: Apex Properties, F. Copson, Equipe, G. Frith, Roan Consolidated Manufacturing, particularly hard hit. The drop may be made worse by bad weather, but coming after a similar decline in November it suggests that recovery faltered late last year.

THAT will not dent Government confidence that recovery is now firmly under way; a slight dip around Christmas was always expected.

But it will give the extra determination to the Engineering Employers Federation, who meet Mr Leon Brittan, the Treasury's Chief Secretary, to press for aid for businesses in the cut in the National Insurance Surcharge and changes in public spending.

In Brussels, European Finance Ministers are holding a meeting at which they may review world interest rates and prospects for the European Monetary System.

WEDNESDAY: Average earnings figures are expected to show a rise of between 1 and 1.5 per cent in December, continuing the downward trend in past years.

The average earnings index is still boosted by redundancies dispute. EEC finance ministers meeting, Brussels.

TUESDAY: Resumed meeting of shareholders of Associated Communications Corporation, London. British Railways board meets, London.

WEDNESDAY: CBI Council meeting, London. Personality Milkmen of the Year, National Dairy Centre, London.

THURSDAY: Aslef railway strike. London Transport Trade Union London committee announces Defence campaign against fare rises.

FRIDAY: The first estimate for the country's total output, the gross domestic product, is published. This rose in the third quarter of 1981 after two years of decline.

FRIDAY: The first estimate for the country's total output, the gross domestic product, is published. This rose in the third quarter of 1981 after two years of decline.

Freight rates set to soar as exports flag

By Michael Bailey, Shipping Correspondent

Falling British exports to Europe could force freight rates up by over half over the next two years making exports even more difficult.

This is because the massive imbalance - at present a ratio of two to one and getting worse - between cargo eastbound and westbound between Britain and Europe is making the trade hopelessly uneconomic for ferry companies which have been prevented from doing anything about it by the cut-price competition with tankers.

Base rates are now so low that the long-term future of the trade is threatened, operators claim. Concerns such as European Ferries, P & O and Sealink may be forced to

agree rises well above the rate of inflation this year and next. Low rates and the imbalance between exports and imports are the main reasons that Sealink was forced to withdraw the proposal for two jumbo ferries for the Harwich route.

Ferry operators have succeeded in getting some rate rises - many went up by about 12 per cent last month - to recoup immediate cost inflation. But they estimate that the base rate has been eroded to such an extent that rises of around 15 per cent this year and next on top of the 10 to 12 per cent for inflation will be needed to get the trade back on a sound footing.

The poor performance of British exports may come as something of a surprise in the light of recent government statements that Britain's balance of trade with Europe is good. But that referred to trade value and took in the fruits of North Sea oil. What concerns ferry operators is the cargo volume in actual freight tons. This has been static or falling while imports continued to rise.

Mr George Hollway, chairman of the Bell-Short Sea container group, said: "The British exporter has been doing magnificently in hanging on to European sales against the drag of a strong pound. But some have

found the going too tough and have had to drop out."

Mr Hollway says this has made the east-west imbalance worse and as ferry companies jostle for the scarce British return cargo to the Continent eastbound rates have fallen to a ridiculously low level.

While exporters cannot be expected to relish the prospect of rises above the rate of inflation they should be warned by what has happened in the trade to Scandinavia, Mr Hollway says. Tor Line, Swedish Lloyd and Roto have all disappeared, and the trade is dominated by Denmark's DFDS, which put rates up 20 per cent in January.

Soviet debts to West rise by \$6,000m

By Peter Norman

The Soviet Union, in the new survey for its first sale of gold and oil on falling markets, has been moving deeply into debt with Western banks.

Figures issued today by the Bank for International Settlements in Basle show that the Russians increased their net indebtedness with banks in the 15 main Western industrial countries by more than \$6,000m (£3,260m) in the first nine months of 1981.

By the end of September, the Soviet Union owed the banks covered by the BIS survey \$15,375m while Russia's bank deposits in the West had been run down to \$4,512m. Nine months earlier the Soviet Union's borrowing stood at \$13,388m and its deposits in Western banks were a healthy \$8,568m.

The BIS said that the Soviet Union was the second largest net taker of funds from international banks after Mexico in the nine months under review. Its figures confirming a rapid rise in Soviet debts will come as no surprise to international bankers who have been viewing with growing alarm the increasing amounts of Soviet gold, oil and timber being offered for sale in recent months.

There is little doubt that the Soviet Union has had to draw on its Western assets to help finance its own ailing economy and its increasingly inefficient empire in Eastern Europe. Some observers have also suggested that the rundown in its Western bank

deposits could have been prompted by advance knowledge of the military takeover in Poland and fears that the West might move to block the account.

The oil-rich Opec nations have also begun to appear in the BIS statistics as net borrowers from Western banks for the first time since the end of 1978.

In the third-quarter of last year members of the Organization of Petroleum Exporting Countries increased their gross new borrowings from the banks by \$2,400m or nearly twice \$1,300m of borrowings transacted in the second quarter of 1981. At the same time the oil exporters withdrew funds worth \$700m from Western banks with the results that they were net lenders of funds worth \$3,100m in the three months to the end of September.

The BIS attributes the drying up of oil wealth in Western banks to the shrinking of the Opec current account balance of payments surpluses and a shift in the oil countries' investment policies towards longer-term placements.

Energy savings

Energy demand in Britain will grow by only 0.6 per cent each year until 1990, according to a forecast today by Cambridge Econometrics. The figure is less than half the average 1.3 per cent growth rate forecast for the economy as a whole.



Roland Smith: "I am quite relaxed"

Double trouble for Mr Smith

By Philip Robinson

Professor Roland Smith, the "man of a thousand boardrooms", could lose two of his string of chairmanships this year.

Lorho has threatened to sack him as £50,000-a-year, part-time chairman of the House of Fraser Stores Group if its second attempt to gain control succeeds and now he is under attack as chairman of educational publishers E. J. Arnold, where he earns another £11,000 a year.

His entry to Arnold six years ago was on the recommendation of merchant bankers S. G. Warburg, as it was to House of Fraser. He became chairman in 1979 when a row split the family-

\$500,000 profit to £1.5m loss for the year to January, 1981.

A month ago, Professor Smith told shareholders - the majority of whom are family trusts - of a 200p-a-share bid from Performance Securities, headed by Dr Michael Sinclair, Professor Smith's Manchester Business School pundit, is a director of the London Trust group, which formed part of a consortium to buy Dr Sinclair's Allied Investments medical group for £8m after it ran into loss.

Six of the seven Arnold directors supported the bid, but other shareholders claimed that directors ignored other offers, one from Mr Martin Arnold's consortium and the other - worth around 250p a share - from the quoted group, Hestair.

All three bids were well below the net asset value around £10 per share but Arnold has faced difficult trading, Professor Smith said in his annual review last year that shareholders could not

expect sustained profit recovery before the early months of 1982. National Westminster had indicated continued financial support and negotiations were together with overdraft facilities.

A £2.4m sale and leaseback of a stationary factory would reduce bank borrowings, which were then just under £4m.

Ten days ago, Professor Smith said that Dr Sinclair, whose bid was subject to an accountant's investigation, had withdrawn his offer. Mr Arnold's consortium and Hestair are considering the next move, but whichever succeeds in buying the company, it is understood Professor Smith would relinquish the chair.

Professor Smith said: "I am quite relaxed about the situation. We have been going through a rough period along with other companies in the same field. When Dr Sinclair's offer was put to us there were no others on the table."

Fears grow for De Lorean

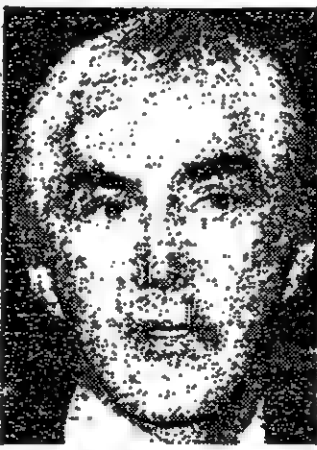
By Bob Rodwell, Belfast

Mr John De Lorean, head of the troubled sports car group, is expected to fly to London from New York today to be told by Mr James Prior, the Northern Ireland Secretary, that the Government will not provide further financial aid for his Belfast plant.

Unless Mr De Lorean's own efforts over the past two weeks to raise substantial funds of the New York market were successful and there are no signs of that - receivers are likely to be sent in to the Belfast factory this week.

Over the weekend at his Suffolk farm, Mr Prior has been studying a gloomy report from accountants Coopers and Lybrand and receiver Sir Kenneth Cork on De Lorean's viability. The report is said to show that the company had liabilities of more than £30m over and above its indebtedness to the Government and without an immediate and very substantial injection of new money it can no longer continue to trade. The report, handed to Mr Prior on Friday night, did not recommend the Government to provide the extra.

Last Friday 1,100 of the



Mr De Lorean: no cash from Mr Prior

company's Belfast workers were redundant and closure will result in the loss of the remaining 1,500 jobs.

As many as 4,000 other jobs are also at risk in other Ulster and mainland companies which have been providing components and services to De Lorean. Chief among these are Giff's Bilston division which makes the chassis, Barrett Engineering of Abingdon, Oxfordshire, which survived the

closure of MG cars by switching to component production for the Belfast factory, and the Northampton-based Chamberlain-Phipps group which established its Belfast subsidiary specifically to supply De Lorean with seats and interior trim.

Mr Richard Gordon, regional director of the Confederation of British Industry in Northern Ireland, called last night for the Government to continue supporting De Lorean. Having taken the decision to back a high-risk project and put up venture capital, it should live with the consequences of that decision, he said.

For Ulster's Alliance Party Mr Seán Nesman contrasted the treatment being handed out to Belfast car workers with those at British Leyland whose employment had been protected with hundreds of millions of pounds from public funds.

Mr George Clark, official of the Northern Ireland branch of the Transport and General Workers' Union, said yesterday that the unions had known about the company's debts of around £30m for several weeks.

Leyland strike talks to hear 'alternative'

By Clive Cookson

The Management of Leyland Vehicles, BL's truck and bus subsidiary, today meets union representatives, 12,000 strikers who have shot down the factories at Leyland, Lancashire, and Bathgate, West Lothian, for four weeks.

Both sides acknowledge that this week will be critical for the future of Leyland Vehicles and its 18,000 employees. The management had warned that BL will have to wind up truck and bus manufacturing, permanently unless the 13 unions quickly end their strike and accept the company's plan to make 4,100 workers redundant.

In response, the union negotiators will give the management a 44-page report, *Leyland Vehicles - The Alternative*, which proposed the withdrawal of all redundancies as the basis for a return to work.

The Leyland strike committee's "alternative strategy" calls on the company to make more components in-house, to scrap plans to buy more engines, gears and axles from outside suppliers in "blatant disregard" of

quality and cost. The unions want additional investment, including a new £30m foundry, to mass-produce light-weight engines and complete re-equipment in machine tools.

Leyland Vehicles was losing £2m a week before the strike started, because of the slump in the British market. Demand for lorries over 3.5 tons - the sector on which the company is most dependent - has fallen by half over the past 18 months and is now running at no more than 40,000 trucks a year.

However, the unions do not accept the company's pessimism about the prospects for a significant upturn in demand and output. They quote a prediction from the Economist Intelligence Unit that commercial vehicle production in the United Kingdom will increase by 28 per cent in 1982.

Pressure on both sides to settle the dispute increased over the weekend after J. C. Safford switched from Leyland to Perkins as the main supplier of diesel engines for its earthmoving equipment.

Gill may receive £500,000 payoff

By Drew Johnson and Philip Robinson

Opposition to Mr Jack Gill's £560,000 golden handshake from Associated Communications Corporation could collapse if Mr Robert Holmes a Court's separate, increased bid for ACC is successful. Bell Group the master company of Holmes a Court, has posted its formal offer document containing two concurrent offers to ACC shareholders.

The second of the two offers emerged this weekend, and shows that as well as making a 20p increase in the bid price, the Bell Group is aiming to obtain outright control of ACC.

Bell's bid matches that of its rival bidder, Heron Corporation, at 340p for voting shares and 85p for the non-voting shares, and is dependent on obtaining 90 per cent of the non-voters. If successful, Bell Group's offer would lead to cancellation of ACC's British stock market quotation.

The new bid could convince opposition to Mr Gill's pay off - a consortium of pension funds and insurance companies which controls 13.7 per cent of the non-voting shares - that their best course would be to accept the increased offer and drop their legal objections.

Mr Holmes a Court said yesterday that acceptances could go as high as 90 per cent and the petitioners could still have a shareholding. But under the circumstances the petition would have to be amended.

The unprecedented double bid is subject to approval of the Takeover Panel. Mr Peter Frazer, a member of the panel, said yesterday that he did not see any problem with it, but he would have to consider the terms of the offer in detail before its approval.

He said: "It is a very unusual conception, but there's nothing wrong with that."

Mr Holmes a Court is seeing the panel today. The 26-page document offer, which will be lodged with the Stock Exchange, will begin to unveil the very serious financial position facing ACC before Mr Holmes a Court made his first offer.

The second bid is said to be designed to give shareholders the maximum liquidity. The higher bid will be made to shareholders before the first offer itself closes.

Shareholders will now be faced the options of taking 85p per share, the 65p offer, or leaving their money in the company under the management of Mr Holmes a Court. If they choose to do that, the non-voting shares will be enfranchised.

Heron is scheduled to make an appearance in the Appeals Court today in an attempt to overturn the irrevocable acceptance of Bell's initial offer by 66 per cent of the voting shareholders. But the new Bell bid may force a rethink. Heron's directors were in close consultations with their advisers, Barclays Merchant Bank, all day. A spokesman for the bank said yesterday that the company's position was still being considered.



Holmes a Court: new offer

Threat to 600 jobs and the future of design

Pall over British fabric printing

By Rupert Morris

The fabric printing industry in Britain once world famous for producing Liberty prints and other well loved designs, is on the point of dying. Desperate efforts will be made this week to save the jobs of 600 workers who are to be made redundant within a few months at Tootal's factory at Strines, near Manchester. The closure was announced last month but only now are its implications becoming clear.

The Strines factory is the last major fabric printing works in Britain and although many of the large stores now get printing done abroad some small clothes designers are in despair.

"I have no idea where we can go now," Miss Jackie Staples, of Jake Dress Designers and Manufacturers of Mayfair, said. "There is no comparable print studio in the country." Miss Susan Collier, of Collier Campbell

international fabric designers and converters, was even more distraught. "I think the most awful thing is the lack of Englishness. There won't be a design industry to support English designers in the future. There is an intimacy between designers, weavers and printers. If you cannot get designs printed in this country it will be uneconomic to have fabrics woven here so more weavers could go out of business. We will be putting a block on designs. In the end the British consumer will be the loser."

Collier Campbell has most of its designs printed at the Strines works. Now the work will have to be done abroad. The closure of Strines has been expected for a year or more. Tootal blamed the continuing decline in demand for printed fabrics, erosion of profit margins and growing imports of fabric

A single shift was introduced at Strines two years ago with 260 redundancies in administration staff. But the losses continued. Tootal unions and management met again tomorrow but with little hope of averting the closure.

Mr Brian Leach, regional officer of the National Union of Dyers, Bleachers and Textile Workers, said: "Our proposals to run the factory on the commission printing basis have been rejected out of hand. But Strines has skills that do not exist anywhere else in the country and there is still a market. Since the closure has been announced, there have been orders for several million metres of material enough to take them through the June, at a time when trade would be normally slack."

"The demand for printed fabrics has dropped about 30

per cent since 1978", says Mr Roy Walker, Liberty's chief print buyer. "The fashion is for plain fabrics now. It will take us a while to find other sources to do our printing. Strines does about half of it - about two million metres a year. We just feel sad that another British industry is being the dust. We will have to try France, Germany, Switzerland, Austria or Japan, Hongkong and the United States, in that order."

Mr Peter Sartain, of Jaeger, was the most philosophical of Tootal's customers. "It is a shame of course," he said, "but we had problems with quality at Strines and although we supported them as far as we dared we were down to having only one design printed there. We get most of our printing done in Switzerland which is a bit more expensive but more reliable."

Consortium planned for chip credit cards

By Bill Johnstone, Electronics Correspondent

A consortium headed by the British Technology Group and the National Physical Laboratory is being formed to develop the commercial applications of personal microchip cards.

The cards, similar in size and shape to a credit card, contain a programmable microcomputer. The technology is already being developed by Philips for use in the French market. Among the 12 British companies which have expressed an interest in joining the consortium are Ferranti, Marconi, British Telecom and National Giro.

The partnership, to be called the Tokens and Transactions Control Consortium (TTCC), will draw on research into data security developed at the National Physical Laboratory at Teddington and the business applications highlighted by the National Research Development Corporation.

The plastic card is extremely versatile and can be

used as a security key for opening a door and in a range of applications which extends to electronic banking.

The card will employ the latest anti-fraud coding techniques and when inserted into a computerised slot machine, could be used to activate a range of consumer transactions.

The Philips device, which harnesses the same technology has been developed in co-operation with the scientists at the Laboratoire d'Electronique et Physique Appliquee at Limeil-Brevannes in France. The card contains two microchips - one which acts as a processor and the other as a memory. A magnetic strip for identification can be programmed to contain information about the user and if necessary can have a photograph on the front.

The British project will develop along similar lines to that of Philips.

BUSINESS NEWS/FOCUS AND COMMENT

MANAGEMENT

Nail-biting over Polish debts

Poland's 500 or so Western bank creditors should know this week whether the agreed rescheduling around \$2,400m of debt due last year can be signed at last.

The Bank Handlowy, of Warsaw, is due to pay today the last of the \$500m in interest and principal originally promised by the end of last year as a condition for rescheduling the bulk of what Poland should have paid its creditor banks during 1981.

There is bound to be some last-minute nail-biting in bank board rooms for at least another 24 hours because today is a bank holiday in the United States. But late last week, bankers in Europe appeared confident that the Poles would meet their deadline and plans were already being made to hold the signing ceremony in the headquarters of the Dresdner Bank in Frankfurt on March 4.

The debt rescheduling, assuming that it does happen, will mark a new chapter in

international banking history. The large international banks making up the "taskforce" of Poland's creditor institutions will be able to congratulate themselves on having held a diverse and potentially unruly mob of banks in line over months of difficult negotiation, thus heading off the unknown perils of having the country declared in default.

But the time for celebration will be short. Having settled last year's debt, the immediate question will be what to do with the Polish debt falling due this year and every year until the end of the 1980s.

Poland, on its own admission, owes \$26,500m to the West. Rather less than half of this is owed to Western governments while \$14,200m are owed, according to the bank for international settlements, to banks in Western industrial countries. An estimated \$4,700m of debt are due this year, of

which roughly \$2,500m are owed to Western governments and the rest to banks. Poland has no chance of servicing and paying back the debt it owes this year and under normal circumstances would be seeking further credits from the West by now.

But the military takeover in Warsaw two months ago has changed dramatically the worse the Polish debt problem, and with the rescheduling of the 1981 debt out of the way, the banks will be back in the frontline between East and West.

The banks want to continue the rescheduling process as an orderly restructuring of Polish debt, but they are known to be unhappy at the turn of events and have hinted that they may negotiate to reschedule their 1982 debt unilaterally with the Poles.

A small neutral country could probably restructure its 1982 Polish debt. Whether a diverse group of 500 banks could do the same in a hostile political climate must be open to doubt.

Peter Norman

CAPITAL MARKETS

Fresh start on money sums as oil prices fall

Lots of sums are having to be redone in Wall Street and London as a result of the fall in oil prices. Even last December, the Organization for Economic Cooperation and Development was forecasting a cut in the Opec oil surplus from last year's \$60,000m to \$35,000m for 1982.

Now, the level of oil prices is all over the place. While Saudi Arabia's Shaikh Yamani remains adamant that the \$34 for Arabian light oil will hold through this year, other Opec producers are doing deals that one way or another will result in their being paid much less than official prices. So, since that OECD figure was calculated before pressure mounted on the spot oil market, the take-home pay for many of the oil producers is going to shrink.

International capital markets are by now wary of being too definite on energy costs and prices. Saudi Arabia's domestic political situation is still fragile, Iran and Iraq are fighting. But disappearance of the Opec surplus will mean that a number of country's credit ratings will be very much healthier, at the expense of Opec producers.

Principle gainers will be Japan, Germany and France and other major industrialized nations who are dependent for vast quantities of their energy on imported oil.

A loser will be Britain — it has been this country's petro-currency status which has helped to attract overseas investment. Others will include Canada and Mexico, both of whom are already out of favour with the international capital markets because they have such insatiable appetites for money.

Everyone benefits in one way — the soaring inflation rates of recent years has largely been the fault of the higher energy costs caused by Opec's successful cartel. Since so many governments are monetarist in their economic philosophy, lower inflation rates should soon find their way through to lower interest rates.

No one is suggesting that a fall from around \$34 to, say, \$30 dollars a barrel is going to take the problem of high energy costs away entirely. But it is a large enough percentage change to put a different complexion on international capital markets in 1982.

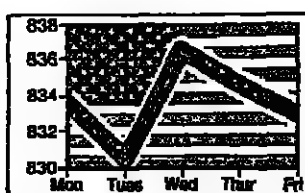
Looking at investment in the domestic United States bond markets, the firm Salomon Brothers is advising a cautious stance. Richard Johannesen Jr., co-director on the group's bond market research publication Relative Values in the 1982 Bond Market, stresses the need to stick with top-quality names. Prudence and caution are the watch words. The publication's opening words are: "In the fixed-income market, volatility will continue to be the hallmark".

Given the uncertain conditions they foresee, Mr Johannesen also points to the merits of staying with the short-end of the market.

Sally White

MARKETS ROUND-UP

Budget fears hit prices



Stockmarket prices are expected to fall once again this week in response to rising interest rates and concern over the forecast of a record deficit in President Reagan's budget.

Last week saw prices drop for the second week in a row. The Dow Jones industrial average fell 17.22 points to 333.81, following a drop of 20 points the week before.

Much of the blame for the drop went to shock over the \$91,500m (about £5,000m) deficit projected in Mr Reagan's budget at the beginning of the week.

Wall Street is worried that such a deficit could depress investors' confidence and further raise interest rates. High interest rates puts pressure on stock prices because they provide high yields in competing investment such as Treasury Bills and long-term government bonds as well as popular money market funds.

Concern over interest rates has been apparent in the markets for the past eight out of ten Mondays. On each of those days stock prices have fallen in response to disappointing news concerning the basic money supply in the United States.

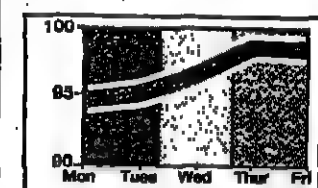
The state of the money supply is linked with interest rates because investors believe that if it grows too quickly the Federal Reserve will tighten credit and thereby push up interest rates.

As a result, prices are expected to drop tomorrow when the markets reopen after the Washington birthday holiday today.

In fact, many experts believe that continuing concern over interest rates and the deficit will keep the stockmarket weak for some time to come. Some analysts are predicting that the Dow will drop to somewhere between 720 and 760 in the first half of this month.

BRUSSELS

Money magnet



Brussels continues to be the star of the European bourses as the Government's pro-business policies attract investors from both home and abroad.

The Belgian shares index advanced 4.13 points over the past week to close at 98.22, showing a gain of more than 30 per cent in the two months since the formation of Mr Wilfried Martens' Centre-Right coalition.

Last week, the market shrugged off Monday's anti-government general strike in the French-speaking south of the country. It also took heart from the Government's decision to let Cockerill-Yards, Belgium's second-biggest shipbuilder, go bankrupt.



The Belgian Bourse, Star of Europe

After trading lower, the Commerzbank index, ended the week little changed at 697.4.

JOHANNESBURG

Wind of change

Retailing has again been the main feature of activity on the Johannesburg Stock Exchange and although more takeover bids have materialized heavy dealing in the shares continues.

The rumour that the bid for control led by South African Breweries is not over persist and in three days 174,000 of London-quoted Greaterman's Stores' shares were traded, pushing the price up from 1160 to 1220 cents.

The finance minister, Mr Owen Horwood, produced a mini-budget which clearly signalled, if any doubt remained, that South Africa's gold-led boom is over and that it is now fully exposed to the chill winds of international recession. He announced an increase in general sales tax (equivalent to VAT) to raise revenue to meet a growing Government deficit and gave all indications that his main Budget, late in March, will be savage.

AUSTRALIA

Rising profits

Full advantage of the takeover boom last year was taken by Macquarie, the property and equity investment company. Selling into the top end of the bull market brought windfall profits and a sharp increase in interest income.

Consolidated pretax profit rose from A\$243,408 to A\$315,456 in the six months to December 31. But higher interest income resulted in a sharp increase in the tax rate from 3.8 per cent to 9.1 per cent. This whittled the profit increase to 2.5 per cent from A\$234,138 to A\$258,772.

Southgate Investments lifted their profit 14.1 per cent from A\$184,000 to A\$210,000 in the six months to December 31. The boost outstripped turnover growth, which rose 6.4 per cent from A\$1.67m to A\$1.99m.

Meanwhile in the food industry there is considerable stock exchange interest in Elders-IXL's intended A\$90m takeover of the United Kingdom Wood-Hall Trust. This is expected to be just the beginning of an acquisitive period by the newly-merged Australian Pastoral and Food Group.

FRANKFURT

Dollar shines

The strong dollar is about the only thing putting a shine on West Germany's lacklustre stock exchanges. Share prices moved erratically last week, supported mainly by foreign buying of companies such as those in engineering which are likely to profit on export markets from a weak Deutsch mark.

While the Government's job creation plans continued to meet a generally critical reaction, motors profited from the proposed scheme to give a 10 per cent subsidy to companies increasing their investments this year.

Lufthansa was strong early in the week following the Laker collapse, on the principle that its ill wind that blows nobody any good.

Banks perked up briefly on Thursday on expectations that the Poles will be able to meet the conditions for rescheduling their 1981 commercial bank debt.

COMMODITIES

Markets multiply in tricky times

Dispatches from Hongkong have aroused my curiosity. Last week it was reported that the Hongkong Commodity Exchange was considering renovation of its gold futures contract and introduction of platinum and financial futures contracts. Why, I wondered, do commodity markets multiply in these tricky times when other markets and businesses fall victim to the depression?

Hongkong, of course, is not the only one. London should see its own gold and financial futures markets come to life this year. And at the beginning of next week the European Options Exchange, based in Amsterdam, will start a transatlantic gold options market in conjunction with the Montreal Stock Exchange.

Other markets are under study in Bahrain, Sydney, Singapore, New York, and all points East.

So why are new markets opening in the midst of the worst depression for a generation? The answer, I think, is that the new markets are

designed to cope with new circumstances. These markets have several common features: they are futures markets in financial instruments and precious metals. Oil is the chief exception but the petroleum markets are also futures markets and oil is not called "black gold" out of whimsy.

Such contracts are the natural response to stagflation. Stagnation is bad for natural resources — even oil is feeling the squeeze — while inflation prompts a switch of resources into financial assets. Holders of capital need to maintain income and asset values in face of inflation, while users of money such as banks and financial institutions want to hedge. Currency instability is a further incentive to financial markets.

Establishing financial markets around the world has been aided significantly

by the dramatic and continuing improvements in communications technology. Speed is critical to success in volatile and fast-moving markets for which no delivery of physical metals is required. Only paper obligations can be changed.

New markets in places strategically situated through time zones: the gold market trades around the world from Hongkong to London, from London to New York, from New York to London, and back again. The result is a good many hours trading into a single day.

It is interesting in this context that Mr Peter Scales, chairman of the Hongkong Commodity Exchange, said last week that his model was the formula devised by the London International Financial Futures Exchange.

Michael Prest

Steel Phoenix fails to rise

Phoenix Two, one of a pair and may be even a trio of the legendary fabulous birds, which the Government hoped would produce the British steel industry has failed to take wing.

After months of desultory negotiation directed towards creation of a jointly-owned company rationalizing their respective interests in engineering steels, the British Steel Corporation and GKN, the country's largest independent steel-maker, have broken off talks — for the present.

The brief announcement that the pair had not found it possible to identify (ie, agree) a viable basis on which to structure a joint venture, came as no real surprise.

But their failure is a blow to Government aspirations to accelerate privatization; to Mr Ian MacGregor, the BSC's chairman; and to European efforts to secure long-overdue retrenchment in product areas suffering from chronic over-capacity, and thus hindering strategies designed to remove the red ink from steel companies' balance sheets.

This assortment of engineering steels business has therefore been under the BSC's wing for some time, supplementing the corporation's own engineering steels facilities, largely concentrated in the Sheffield area.

It appears that the protracted talks with GKN (the largest United Kingdom user of BSC steel) finally foundered on disagreements of a technical nature and hence over the final ownership profile.

Central to the discussions was the balance to be struck in the proposed new company of facilities for producing the particular steels, and amounting essentially to the proportion to be produced by the continuous casting route as against billet derived steel.

Ministers will be unhappy a deal has not been done. So too will Mr MacGregor. Among the criteria being used to measure the final size of this controversial £1.8m retrospective transfer payment to his former employers at Lazard Freres, is the extent to which the corporation is "privatized" during his three-year tenure as chairman.

Mr MacGregor and his banker — the Government — have other pressing problems. There is the impact of the rail strike, and the severe

weather last month, on the corporation's finances, which are overlaid by the wider problems of American action to curb steel imports and the fragile efforts by the EEC Commission to boost steel prices at a time of continuing weak demand.

Prospects of BSC striking a deal have not been done. So too have been a similar creature charged with the same task in engineering steels.

But creation of Phoenix Two was always destined to be a much more difficult task, not least because other interests were to have been involved.

Peter Hill

At last CCA finds some fans

Vitriolic attacks on SSAP 16, the current cost accounting standard, have almost come to be regarded as a rite of passage among chairmen of medium-sized companies.

After just over a year in existence, the standard has withstood a mixture of apathy, severe criticism and even the threat of a grassroots accountants' revolt.

The latest information from the accounting standards committee, which oversees SSAP 16's progress, shows that compliance among listed companies is about 85 per cent. Unfortunately for these staunch

advocates of current cost accounting, this is not an indication that most quoted companies think SSAP 16 is a wonderful invention.

Inclusion of CCA information is required under the Stock Exchange listing agreement. Failure to provide it also leads to an auditor's note of implicit disapproval, but various companies have bucked the accountant's line.

None of these are giant companies, but some are well-known names, including Lesney Products, Stone Plant Industries and Allied Plant Group. Some, such as Allied, have stated the time and money involved was not

considered as justified; others erring on the side of caution, promise CCA information in the next set of annual accounts.

The accounting standard setters charge that, with some honourable exceptions, the City has not yet accepted that SSAP 16 is really worthwhile. The argument runs that since the City is dominated by financial salesmen, any technique which reduces company performance is bound to be unpopular.

It is probably a legitimate counter criticism that CCA is disliked because accountants have failed to explain it properly. For among the charges, that CCA is too subjective, too volatile or irrelevant as far as tax is concerned is the criticism that it is too hard to understand.

A new report from Peat Marwick Mitchell, the international firm of chartered accountants, argues that acceptance of CCA is greatest among the top British companies. It says five out of the 10 top industrial companies, BP, Ford, Imperial group, and Unilever, use CCA information for management account purposes.

But it is also reasonable to point out that many big companies are well supplied with internal accounting research departments, which can minimise the teething difficulties smaller companies might find.

The benefits of using CCA are tangible: rates of return based on current cost principles can highlight the case for closing down or cutting back in operations with inadequate rates of return; CCA in the costing process can lead businesses away from underpricing, and perhaps most important of all, CCA gives real measures of how much of a company's capital base is paid out in dividends.

The Peat's survey shows that on latest figures about 40 per cent of British companies pay dividends on a cost of sales basis. A big influence could be the consideration of CCA for tax purposes in the Government's recent Green Paper.

Though this was considered very "green", and is not expected to lead to any tax changes in the lifetime of the present Parliament, the problem of tax and CCA is important.

Drew Johnston

Just add Co2 to find more oil

Oil companies in the United States are confident that a pioneering oil recovery technique based on carbon dioxide will prolong the life of some oil fields by as much as 25 years.

The first big commercial application of the technique, which is already being studied as a possible means of extracting more oil from the North Sea, is scheduled to start at the end of this year.

A consortium that includes Texaco, Shell, Comoco, and Atlantic Richfield, is preparing to start construction of a

480-mile pipeline to transport liquid carbon dioxide from west Colorado to its Wagon field in West Texas. The carbon dioxide will then be injected under pressure into the oil reservoir in an effort to "flush out" more of the oil trapped between the pores of the oil bearing rock.

Shell, the consortium's operator, says pilot tests of the process have been so successful it hopes to boost the oil recovery rate from 39% to 52%.

That will increase the amount of oil recovered from

850 million to 1,130 million barrels which is the equivalent to the discovery of a small to medium sized North Sea field.

Total cost of the project is \$1,760m (£950m) and the first supplementary oil production is expected to start in early 1984.

Shell estimates there are sufficient natural reserves of carbon dioxide in the Colorado region to support production of an extra 2,000 million barrels of oil in Texas and New Mexico.

Jonathan Davies

Eurobond prices

(yields and premiums)

STRAIGHT DEBT	Price	Yield
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00

Convertible Bonds

Convertible Bonds	Price	Yield
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00
100% Floating Rate	98.10	10.00
100% Fixed Rate	98.10	10.00

ABRIDGED PARTICULARS
Application has been made to the Council of The Stock Exchange for the Ordinary shares of Amersham International public limited company, issued and now being issued, to be admitted to the Official List.

Amersham International

public limited company

Offer for Sale

by

N. M. Rothschild & Sons Limited

and

Morgan Grenfell & Co. Limited

of up to

50,000,000 Ordinary shares of 25p each at 142p per share of which 44,860,000 Ordinary shares are owned by

The Secretary of State for Energy

Authorised	Share Capital	Issued and now being issued fully paid
£15,000,000	in 60,000,000 Ordinary shares of 25p each	£12,500,000
£1	in one Special Rights Preference share of £1	

Amersham is engaged in the development, manufacture and sale of radioactive materials for use in medicine, research and industry.

The Application List will open at 10 a.m. on Thursday, 18th February, 1982 and may be closed at any time thereafter.

Copies of the Offer for Sale (on the terms of which alone applications will be considered) with Application Forms are available from:

N. M. Rothschild & Sons Limited,
New Court, St. Swithin's Lane,
London EC4.

Morgan Grenfell & Co. Limited,
New Issues Department,
21 Austin Friars, London EC2.

Cazenove & Co.,
12 Tokenhouse Yard,
London EC2.

National Westminster Bank PLC,
New Issues Department, Drapers Gardens,
12 Throgmorton Street, London EC2.

and from:

National Westminster Bank PLC,
Oakfield Corner, Hill Avenue,
Amersham, Buckinghamshire.

Ulster Bank Limited, Investment Division,
88 High Street, Belfast,
Northern Ireland.

National Westminster Bank PLC,
8 Bennetts Hill, Birmingham.

National Westminster Bank PLC,
117 St. Mary Street, Cardiff.

National Westminster Bank PLC,
80 George Street, Edinburgh.

National Westminster Bank PLC,
14 Blythswood Square, Glasgow.

National Westminster Bank PLC,
8 Park Row, Leeds.

National Westminster Bank PLC,
55 King Street, Manchester.

The Offer for Sale is today being advertised in full, with an Application Form, in the Financial Times and The Daily Telegraph.

هكذا من الأصل

BUSINESS NEWS/FOCUS AND COMMENT

INTER-CITY PEOPLE

SHROPSHIRE
A Porsche off course?

Tenants agreeing to rent units of 30,000 sq ft or more in an industrial estate at Bridgnorth, Shropshire, on the edge of the British motor industry, are being offered a German car, a Porsche 924, which retails at about £10,000.

Stewart Hickman, managing director of the agents from the Stanmore industrial estate, tells me that the offer, which is open until July 31, has yet to bring in a firm taker but there are a number of inquiries.

He sees no incongruity in offering a foreign car to firms taking space on an estate whose principal attraction is said to be that it is only 10 miles from the West Midlands, home of many British motor accessory and components companies.

The reason for choosing the Porsche, Hickman says, is that he happens to be a Porsche fan. He used to have a 924, and now has a 911 SE Sport.

Hickman (Stanmore) is agents for Stanmore Industrial Estate Ltd, an interest of Stewart Hickman's father, Jeff, and in turn a subsidiary of a Bermuda-based company.

Blackwells, the Oxford bookellers, are flying their flag up and down at half mast until Sir Freddie Laker's airlines are back in the air.

Managing director Nigel Blackwell says: "Sir Freddie has saved us a great deal of money — £100,000 — on flying freight abroad."

EIRE
Irish ayes

Odd, isn't it, that Cosmopolitan, which many people would describe as a sexy magazine for women, should do so well in the officially prudish Irish Republic?

Cosmopolitan this month celebrates its tenth anniversary in Britain and Dublin-raised Deirdre McSharry (below) her ninth year as editor. However you describe

it, Cosmopolitan, I now learn, sells about 25,000 copies a month in Ireland — more than any other Irish title.

Ms McSharry now disputes the "sexy" part of the image, and says that these days only one item in about 50 is about that topic. What is more, she points out that about a quarter of Cosmopolitan's readers are men.

HAMPSHIRE
Spring sprung

Christopher Harridge, a director of the family firm of soft drinks manufacturers, Harridge & Sons, tells me that the old artesian well upon which the business was founded is to be reopened.

"The water level dropped and since about 1970 we have used mains water," he told me. "We've now deepened the bore, and we can use it for Hambledon Spring Water."

This is a new line, an attempt both to celebrate the company's centenary this year, and to cash in on the current taste for fizzy table waters like Perrier.

Harridge & Sons is at Hambledon on the outskirts of Portsmouth, sometimes described as "the cradle of cricket." The firm hopes the cricket commentator and writer, John Arlott, will declare open the well in May.

Hartridge's cricketer logo

Wilfred Wright, the station manager of the Fawley, Southampton, GEGG plant tells me that he had a surprise when he came up to London last week as a guest at the annual dinner of the Institute of Petroleum.

Wright found himself next on the guest list to Wright, a Mr H. Wright.

Ross Davies

NEW APPOINTMENTS

Mr Eric Major has been appointed a director of Hodder & Stoughton Holdings, the parent company controlling Hodder & Stoughton's worldwide book publishing business.

Mr John F. Valentine has become chairman of the horticulture division of Fisons. He will also be an associate director of the group.

Anthony B. M. Good has been made vice-chairman of the Guild of Business Travel Agents. Mr T. O'Hanlon will join the partnership of Mullens & Co from April 8.

INTERNATIONAL OUTLOOK

Bailey Morris analyses the man accused of prolonging the world recession with his tight money policies.

The Titan at the Federal Reserve



And since his term does not expire until August 1983, there is very little the president can do but talk.

As chairman of the Federal Reserve Board, an organisation created by Congress in 1913, as separate and independent from the White House, Mr Volcker maintains deliberately the distance between the Central Bank and the Administration.

He believes this to be proper and correct, in keeping with the original intent of Congress.

It is also true that Mr Volcker has reservations about certain aspects of Mr Reagan's programme. In recent weeks he has warned repeatedly of the ill effects on the financial markets that Mr Reagan's massive projected deficits will have during the next two years.

Finally, Mr Volcker is unsympathetic in his battle against inflation, even if it means high interest rates and high unemployment in the short term. This he made clear in Congressional testimony last week when he released a required, semi-annual report on American monetary policy.

"We have made some headway. This is no time to retreat," he said, in announcing the Central Bank's decision to stay with a tight money policy, allowing only a slight increase in the money supply this year.

'Paul Volcker remains convinced his policies are correct and that inflation is still America's number one enemy. He believes it with a sort of religious fervour'

The chairman of the House Banking Committee was not pleased. "I am told you are one of the most powerful men in the world. Well, don't the powerful think about the poor and the unemployed?" he said.

There were other questions from other disbelieving Democrats and Republicans, who want Mr Volcker to reverse course and allow the bank to pump more money into the banking system in order to hurry along the promised recovery.

"Who is Volcker that he has the right to make policy in a vacuum without regard to the effect on us all," asked an angry Mid-Western Congressman who wanted to remain anonymous.

The same question may well be asked in the weeks ahead in homes across America as the Reagan Administration escalates its attack against Mr Volcker, thus focusing public attention on the role of the Central Bank and its resolute chairman.

At six feet, seven inches, Mr Volcker is hard to overlook in a crowd.

His career spans 30 years in private banking, and government in which he has served variously as an officer of the Chase Manhattan Bank and aid to David Rockefeller. Under Secretary of the US Treasury, and President of the Federal Reserve Bank of New York.

He is best known as a brilliant intellect who has presided over the most important American monetary decisions of the postwar period.

It was Mr Volcker, for example, who fashioned the United States position and served as its principal negotiator during the turbulent early-1970s when the Bretton Woods monetary compact collapsed and the world moved from fixed to floating exchange rates.

Indeed, C Fred Bergsten, a well-known economist and former Carter Administration official, credits Mr Volcker with averting a massive breakdown of the late national economy in 1973 when he negotiated what is known as the "Volcker

agreement" which resulted in a 10 per cent devaluation of the American dollar and a temporary float of the Japanese yen.

This Mr Volcker accomplished through a series of monetary agreements between the United States and his United trading partners which he negotiated in lightning trips to Tokyo, London, Bonn, Paris and Rome.

Still, despite a formidable intellect and a list of accomplishments, and a reputation as a good grey banker, he is not a colourless or humourless man.

He is seldom seen, for example, without a 20-cent cigar clamped between his teeth even when testifying before Congress. His suits are shiny and he often appears dishevelled.

And several years ago, when invited to a Halloween party by a group of friends in New York, he slapped green body paint on his bald pate, donned emerald green tights and went as the Jolly Green Giant.

It is economics, however, which is "his profession, his passion and his only hobby," says a colleague of Mr Volcker's. He lives simply during the week, working long hours before leaving for a short walk to his apartment near the Federal Reserve building.

On weekends, he boards the shuttle flight to New York where his wife, who suffers from arthritis, still lives.

Because of the pressures, his wife's illness, and the fact that he took a pay cut from \$110,000 (£58,981) to \$57,000 a year, it has been rumoured that Mr Volcker plans to resign from the Central Bank and return to a private banking job in New York.

But this is not likely at present, in the opinion of his friends and colleagues. They say Mr Volcker believes he must stay put in order to steer the monetary system through what is potentially its most difficult period since the Great Depression.

Mr Volcker's past experience in presiding over what he regarded as the humiliation of the dollar devaluation, has hardened his resolve to stay with the fight against inflation.

In his own words: "The battle against inflation has been fairly joined, and we can see signs of progress. We must carry through until the battle is won."

Business Editor

Hot air is not good policy

the case, it is an act of playfulness woefully ill-considered.

Laker/Rowland Whose money?

Giving credit to Sir Freddie Laker's brave if doomed attempt to take on the subsidised airline cartels is the wrong one.

Enthusiasm for the People's Airline, a pale version of the original enterprise, is another. Firstly, the Civil Aviation Authority (CAA) which grants licences should think very carefully about the desirability of allowing a man responsible for the largest corporate receivership since Rolls-Royce, to repeat the cheap recap experiment on the blue ribbon London-New York run.

Total losses on this route last year were some \$600m. Laker's Skytrain services were running at only 40 per cent capacity last month compared with a break-even figure of at least 60 per cent. The International Air Transport Association (IATA) raised transatlantic fares by 15 per cent a month ago in an effort to recoup losses. Pan American has been selling seats at below cost just to pull in some cash.

Under these circumstances, the prospects for the People's Airline look bleak at the very least.

Secondly, even if the CAA was to bow to political pressures to get Sir Freddie in the air again, there is likely to be months of delay before new licences can be granted. There will be formal protests from other independents like British Caledonian as well as from the nationalised airlines.

This brings us to the financial difficulties. Sir Freddie has estimated that a new airline would require working capital of, say, £10m. The purchase of five DC10/30 wide-bodied jets would cost, say, £30m.

But as the Orion Royal project showed a week ago, large investors are not interested in supporting Sir Freddie when even the world's major airlines are effectively broke. Despite the public's willingness to back a folk hero, the sums required are too large to allow a flotation on the Unlisted Securities Market without institutional support. And do either Mr Rowland or Sir Freddie himself have the kind of money needed to make up the gap?

Freedom of gas exports will expose the British consumer to the choice of either seeing his future supplies pre-empted by the richer and more needy Germans and French, or having to pay a considerably higher price to keep them in the country.

It will have another effect. Many of the new gas finds are smaller accumulations close to the border with Norway, where a major trunkline system is now being planned to take gas to North-West Europe.

Now that the plans for a grand British gas gathering pipeline to take gas from the area to Scotland have foundered on PSBR constraints, the Government has been forced to hope that oil companies would build smaller privately financed systems to Scotland.

Fine, if this is the only way they will be able to land their gas. Not so fine if they can more conveniently take it to the Norwegian and Dutch systems. Smaller finds will then tend to go to the Continent not Britain, even if British prices are as high as Europe's.

Mr Lawson's hope, and the logic of his beliefs, is that the short-term adverse effects will be outweighed by the long-term increase in discoveries and development which competition will encourage. All splendid stuff if the gas market were a market of freely transportable products and services. Sea gas was an infinitely elastic supply. But it isn't. What it is, is a critical product which is largely sold through monopoly utilities, which have to be delivered through pipelines.

Mr Lawson may have meant simply to waive the prospect for its psychological effect. But, if that is

the case, it is an act of playfulness woefully ill-considered.

Laker/Rowland Whose money?

Giving credit to Sir Freddie Laker's brave if doomed attempt to take on the subsidised airline cartels is the wrong one.

Enthusiasm for the People's Airline, a pale version of the original enterprise, is another. Firstly, the Civil Aviation Authority (CAA) which grants licences should think very carefully about the desirability of allowing a man responsible for the largest corporate receivership since Rolls-Royce, to repeat the cheap recap experiment on the blue ribbon London-New York run.

Total losses on this route last year were some \$600m. Laker's Skytrain services were running at only 40 per cent capacity last month compared with a break-even figure of at least 60 per cent. The International Air Transport Association (IATA) raised transatlantic fares by 15 per cent a month ago in an effort to recoup losses. Pan American has been selling seats at below cost just to pull in some cash.

Under these circumstances, the prospects for the People's Airline look bleak at the very least.

Secondly, even if the CAA was to bow to political pressures to get Sir Freddie in the air again, there is likely to be months of delay before new licences can be granted. There will be formal protests from other independents like British Caledonian as well as from the nationalised airlines.

This brings us to the financial difficulties. Sir Freddie has estimated that a new airline would require working capital of, say, £10m. The purchase of five DC10/30 wide-bodied jets would cost, say, £30m.

But as the Orion Royal project showed a week ago, large investors are not interested in supporting Sir Freddie when even the world's major airlines are effectively broke. Despite the public's willingness to back a folk hero, the sums required are too large to allow a flotation on the Unlisted Securities Market without institutional support. And do either Mr Rowland or Sir Freddie himself have the kind of money needed to make up the gap?

Freedom of gas exports will expose the British consumer to the choice of either seeing his future supplies pre-empted by the richer and more needy Germans and French, or having to pay a considerably higher price to keep them in the country.

It will have another effect. Many of the new gas finds are smaller accumulations close to the border with Norway, where a major trunkline system is now being planned to take gas to North-West Europe.

Now that the plans for a grand British gas gathering pipeline to take gas from the area to Scotland have foundered on PSBR constraints, the Government has been forced to hope that oil companies would build smaller privately financed systems to Scotland.

Fine, if this is the only way they will be able to land their gas. Not so fine if they can more conveniently take it to the Norwegian and Dutch systems. Smaller finds will then tend to go to the Continent not Britain, even if British prices are as high as Europe's.

Mr Lawson's hope, and the logic of his beliefs, is that the short-term adverse effects will be outweighed by the long-term increase in discoveries and development which competition will encourage. All splendid stuff if the gas market were a market of freely transportable products and services. Sea gas was an infinitely elastic supply. But it isn't. What it is, is a critical product which is largely sold through monopoly utilities, which have to be delivered through pipelines.

Mr Lawson may have meant simply to waive the prospect for its psychological effect. But, if that is

Frances Williams and John Whitmore explain the issues behind the row in America

Plain man's guide to the US economy

What is wrong?

The United States, like other countries, has not escaped the historically high rates of inflation prevalent over the past few years.

The annual inflation rate in the US, as measured by the consumer price index, peaked at 14 per cent in early 1980. Since then it has fallen back to just under 9 per cent.

Inflation is not the only worry, however. Although the US economy fared far better than some during the second half of the seventies, its growth rate has been slowing, as has the growth in productivity. After growing at an annual rate of about 4 per cent through the 1960s, gross national product expanded at about 3 1/2 per cent a year through the 1970s.

Unemployment has been predicted, and is going on, at 9 per cent — is close to post-war peaks. Making it worse are unprecedentedly high and volatile interest rates, which threaten to stifle economic recovery at birth.

Mr Volcker says it is all the administration's fault. It has been deluded by the "supply-siders," the tax cuts, which have not been offset by spending cuts, will increase the budget deficit. In addition, the administration has been far too optimistic in its economic assumptions. Deficits in fact turn out to be far higher than the administration is predicting. All this means that huge government borrowing needs will drive up interest rates.

Meanwhile, Mr Volcker insists that the Fed is determined to keep the lid on the growth of credit to counter inflation.

President Reagan and his Treasury Secretary, Mr Donald Regan, think differently. They admit the budget deficit is on the high side. But they claim that the cause of crippling high and unstable interest rates is the Fed's mismanagement of monetary policy.

Deficit dilemma

In the current financial year, which began in October, the administration expects federal borrowing to reach a record \$99,000m. This is predicted to fall to \$91,500m next year, assuming Congress accepts President Reagan's proposed \$56,000m worth of measures to cut borrowing. In 1984, the year Mr Reagan had hoped to balance the budget, the projected deficit is \$83,000m.

These may seem huge sums of money. But they are relatively small in the context of the US economy.

Why the row?

The American economy is in a mess. The recession is deeper and more prolonged



People at the sharp end — a dole queue in Detroit

of the United States' vast economy. The deficit in 1983 would represent 2.7 per cent of projected GNP, according to official forecasts, falling thereafter. The British public sector borrowing requirement (compiled on a different basis) is likely to be 4 per cent in the current financial year, falling to perhaps 3 1/2 per cent in 1982-83.

So what is the fuss about? The truth is that people simply do not believe the administration's figures. The deficit for the 1982 financial year was originally put at \$37,700m. Congress now expects it to be treble that sum at \$109,500m (some \$10,000m higher even than the latest official estimate). This is largely because of higher defence and social security spending and lower tax revenues than forecast because of the weaker than expected state of the economy.

The critics say that the administration is making the same forecasting mistakes again. Its growth forecasts — averaging 4.7 per cent a year between mid-1982 and 1987 — are too optimistic.

Lower growth will mean higher budget deficits. Higher deficits mean higher interest rates, which will mean higher government borrowing. The Fed's struggle to do it is the Fed's struggle to do it.

Certainly, interest rates have come down some way from the record levels of last spring, when they topped 20 per cent. But with the banks' prime lending rates back up to 16 1/2 per cent, the real (pre-tax) cost of bank finance to leading companies is still around 8 per cent.

Mr Volcker has tried to defuse some of the criticism of the Fed by arguing that it is the market and not the Fed that sets interest rates. But whatever the finer points, the fact remains that it is the Fed's struggle to do it.

The Fed hopes that the present bulge in M-1 will prove short-lived and that the aggregate will start to return to a path consistent with this year's growth target of between 2 1/2 and 5 1/2 per cent.

Even then, however, the Fed fears that interest rates would not necessarily stay down for all that long. It is often argued that the

The future

In the short term it may yet be that monetary growth will subside, allowing interest rates to fall.

But the differences of opinion over medium-term prospects will remain and it is difficult to see how the two sides can be reconciled, except perhaps by a much more rapid decline in the rate of inflation.

So long as the medium-term uncertainty persists, United States interest rates will remain at higher levels than they would otherwise have been. And that promises not only to slow down the pace of economic recovery in the United States but also to set a similar pattern for every other country.

The big debate

The Federal Reserve has taken a lot of stick for both the high level and the volatility of United States interest rates.

Certainly, interest rates have come down some way from the record levels of last spring, when they topped 20 per cent. But with the banks' prime lending rates back up to 16 1/2 per cent, the real (pre-tax) cost of bank finance to leading companies is still around 8 per cent.

Mr Volcker has tried to defuse some of the criticism of the Fed by arguing that it is the market and not the Fed that sets interest rates. But whatever the finer points, the fact remains that it is the Fed's struggle to do it.

The Fed hopes that the present bulge in M-1 will prove short-lived and that the aggregate will start to return to a path consistent with this year's growth target of between 2 1/2 and 5 1/2 per cent.

Even then, however, the Fed fears that interest rates would not necessarily stay down for all that long. It is often argued that the

Amersham Fair rating

Amersham International is a unique company and so comparisons are hard to make. But at an issue price of 142p, shares giving a fully taxed earnings ratio of 18.9, the merchant bankers seem to have weighed up the interests of the future shareholders and the Government pretty well.

The p/e is calculated from the profit forecast of not less than £8.3m pre-tax for the year to the end of March, double last year's results and almost £2m more than profits made in 1978, the previous record. Fully taxed earnings per share are forecast at 7.5p.

As anyone who buys on almost 19 times earnings must — the chief justification is sales rising at 20 per cent a year. Amersham, which makes radioactive isotopes for medicine and industry, sees strong growth potential in North America and Japan particularly, and is banking heavily on its technological lead and quality control.

Amersham is not subject to the sensitivity that would go with involvement in weapons, and certainly enjoys a good reputation in its rather esoteric field. So the likelihood is that when the share price in the market they will go to a slight premium, but not enough to spark off an unseemly scramble. There might be some embarrassment if it is a field day for the stags.

Mr Lawson's hope, and the logic of his beliefs, is that the short-term adverse effects will be outweighed by the long-term increase in discoveries and development which competition will encourage. All splendid stuff if the gas market were a market of freely transportable products and services. Sea gas was an infinitely elastic supply. But it isn't. What it is, is a critical product which is largely sold through monopoly utilities, which have to be delivered through pipelines.

Mr Lawson may have meant simply to waive the prospect for its psychological effect. But, if that is

the case, it is an act of playfulness woefully ill-considered.

Laker/Rowland Whose money?

Giving credit to Sir Freddie Laker's brave if doomed attempt to take on the subsidised airline cartels is the wrong one.

Enthusiasm for the People's Airline, a pale version of the original enterprise, is another. Firstly, the Civil Aviation Authority (CAA) which grants licences should think very carefully about the desirability of allowing a man responsible for the largest corporate receivership since Rolls-Royce, to repeat the cheap recap experiment on the blue ribbon London-New York run.

Total losses on this route last year were some \$600m. Laker's Skytrain services were running at only 40 per cent capacity last month compared with a break-even figure of at least 60 per cent. The International Air Transport Association (IATA) raised transatlantic fares by 15 per cent a month ago in an effort to recoup losses. Pan American has been selling seats at below cost just to pull in some cash.

Under these circumstances, the prospects for the People's Airline look bleak at the very least.

Secondly, even if the CAA was to bow to political pressures to get Sir Freddie in the air again, there is likely to be months of delay before new licences can be granted. There will be formal protests from other independents like British Caledonian as well as from the nationalised airlines.

This brings us to the financial difficulties. Sir Freddie has estimated that a new airline would require working capital of, say, £10m. The purchase of five DC10/30 wide-bodied jets would cost, say, £30m.

Amersham Fair rating

Amersham International is a unique company and so comparisons are hard to make. But at an issue price of 142p, shares giving a fully taxed earnings ratio of 18.9, the merchant bankers seem to have weighed up the interests of the future shareholders and the Government pretty well.

The p/e is calculated from the profit forecast of not less than £8.3m pre-tax for the year to the end of March, double last year's results and almost £2m more than profits made in 1978, the previous record. Fully taxed earnings per share are forecast at 7.5p.

As anyone who buys on almost 19 times earnings must — the chief justification is sales rising at 20 per cent a year. Amersham, which makes radioactive isotopes for medicine and industry, sees strong growth potential in North America and Japan particularly, and is banking heavily on its technological lead and quality control.

Amersham is not subject to the sensitivity that would go with involvement in weapons, and certainly enjoys a good reputation in its rather esoteric field. So the likelihood is that when the share price in the market they will go to a slight premium, but not enough to spark off an unseemly scramble. There might be some embarrassment if it is a field day for the stags.

Mr Lawson's hope, and the logic of his beliefs, is that the short-term adverse effects will be outweighed by the long-term increase in discoveries and development which competition will encourage. All splendid stuff if the gas market were a market of freely transportable products and services. Sea gas was an infinitely elastic supply. But it isn't. What it is, is a critical product which is largely sold through monopoly utilities, which have to be delivered through pipelines.

Mr Lawson may have meant simply to waive the prospect for its psychological effect. But, if that is

the case, it is an act of playfulness woefully ill-considered.

Laker/Rowland Whose money?

Giving credit to Sir Freddie Laker's brave if doomed attempt to take on the subsidised airline cartels is the wrong one.

Enthusiasm for the People's Airline, a pale version of the original enterprise, is another. Firstly, the Civil Aviation Authority (CAA) which grants licences should think very carefully about the desirability of allowing a man responsible for the largest corporate receivership since Rolls-Royce, to repeat the cheap recap experiment on the blue ribbon London-New York run.

Total losses on this route last year were some \$600m. Laker's Skytrain services were running at only 40 per cent capacity last month compared with a break-even figure of at least 60 per cent. The International Air Transport Association (IATA) raised transatlantic fares by 15 per cent a month ago in an effort to recoup losses. Pan American has been selling seats at below cost just to pull in some cash.

Under these circumstances, the prospects for the People's Airline look bleak at the very least.

Secondly, even if the CAA was to bow to political pressures to get Sir Freddie in the air again, there is likely to be months of delay before new licences can be granted. There will be formal protests from other independents like British Caledonian as well as from the nationalised airlines.

This brings us to the financial difficulties. Sir Freddie has estimated that a new airline would require working capital of, say, £10m. The purchase of five DC10/30 wide-bodied jets would cost, say, £30m.

BELL'S SCOTCH WHISKY

ACCOUNT DAYS: Dealings Begin, Today. Dealings End Feb 26. 6 Contango Day. Mar 1. Settlement Day. Mar 8.

§ Forward bargains are permitted on two previous days

(Current market price multiplied by the number of shares in Issue for the stock quoted)



HENRY BUTCHER
LEOPOLD FARMER
VALUATIONS & SALES
PROPERTY & PLANT
LONDON · BIRMINGHAM · BRISTOL · LEEDS · LIVERPOOL
Tel: 01-405 8411

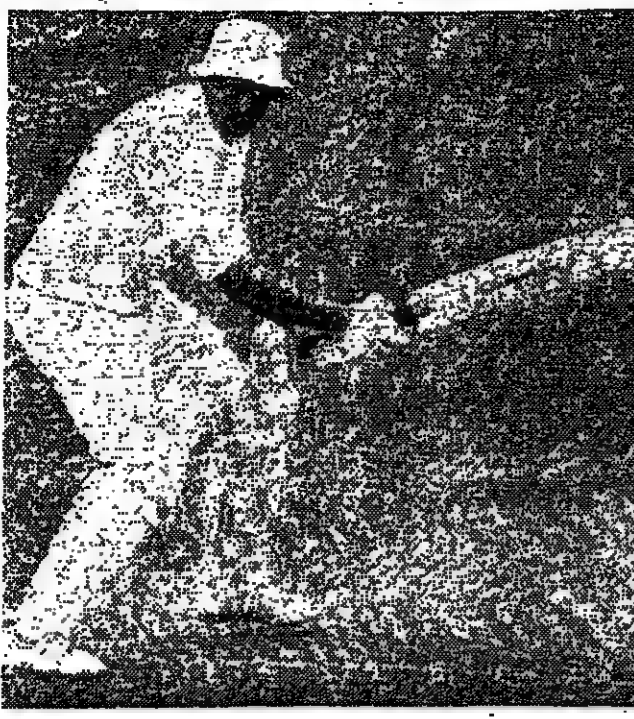
[illegible]

Bonfires are lit as England's sun sinks into Indian Ocean

From Richard Streeton
Colombo, Feb 14

Sri Lanka gained a dramatic victory against England by three runs from the penultimate ball here today in the second 46-over international between the sides.

In an incredible finish England lost their last six wickets in 11 balls, including four run outs, as they frantically tried to scramble the runs. It meant that Sri Lanka this weekend had shared the one-day series 1-1 and will have fuelled further the national rejoicing and excitement already pervading the capital as they overcame the Test match approaches on Wednesday.



Gooch: England top scorer on two successive days.

England, on 213 for nine, needed four final balls to win. The last two balls were bowled by the Sri Lanka bowler, who swung his bat, fiercely against the fast bowler, who bowled the last ball. The Sri Lanka bowler, who swung his bat, fiercely against the fast bowler, who bowled the last ball. The Sri Lanka bowler, who swung his bat, fiercely against the fast bowler, who bowled the last ball.

before Willis fell to the fifth. It was a stirring finish.

England made three changes overnight and Sri Lanka two and both sides in different ways were stronger than they had been on Saturday when England won by a narrow margin. The Sri Lanka bowlers, who swung their bat, fiercely against the fast bowler, who bowled the last ball. The Sri Lanka bowler, who swung his bat, fiercely against the fast bowler, who bowled the last ball.

Mottram loses chance of final with McEnroe

Memphis, Tennessee, Feb 14—

Christopher Mottram's fine run in the US National Indoor Championships came to an end in the semi-final round here yesterday after he had been beaten to meet John McEnroe in the final.

McEnroe, the Wimbledon champion, defeated his American compatriot, Gene Mayer, 7-5, 6-3 in the other semi-final match. Mottram looked set for his third unexpected victory of the tournament having previously defeated Frenchman Yannick Noah, the sixth seed, and American Gene Tellescher, seeded second.

Winners will be put in their place when stars return

The area cross-country championships used to be the form-finders for the National. They are now the form-finders for the National. They are now the form-finders for the National. They are now the form-finders for the National.

The Cornishman, Jon Richards, won the junior title at Parliament Hill by a margin that is the subject of much speculation.

The Southern race at Parliament Hill produced a virtual carbon copy of last year's event.

The 122 gymnasts from all over the country—50 per cent more than last year—reflected not only the current popularity of men's gymnastics, but also demonstrated how more and more young Britons are taking more and more interest in the sport.

Early support for rule experiment

By Roy McKelvie

The service rule is being tried out in the new Bruce Cup for rackets which began at Queen's Club over the weekend.

Standards and entries both increasing

By Peter Aykroyd

The record entries for the London Open rackets championships caused some overcrowding at St Mary's College, Twickenham, on Saturday, the rising standard of performance throughout the country was made up for the administrative strain.

Australians miss chance

Hamilton, New Zealand, Feb 14—

The Australians continued an inauspicious start to their 11-match tour when they were beaten for the second consecutive day.

Table with 2 columns: Team, Score. Rows include Australia vs New Zealand, Australia vs New Zealand, Australia vs New Zealand.

New Zealand go ahead in series

Auckland, Feb 14—Before a record crowd of 43,000, New Zealand scored 240 runs for six wickets in their 50 overs, in the first one-day international yesterday.

Hazell's Cup

Sturgeson Hazell, the Wellington professional and number one seed, won the British professional rackets championship, sponsored by Caledonian Loudspeakers at Manchester yesterday.

For the record

Table with 2 columns: Sport, Result. Rows include Badminton, Basketball, Table tennis, Tennis, Swimming, Volleyball, Luge, Table tennis, Tennis, Swimming, Volleyball, Luge, Table tennis, Tennis, Swimming, Volleyball, Luge.

Table tennis

Table with 2 columns: Event, Winner. Rows include European League, European League, European League, European League, European League, European League.

Swimming

Table with 2 columns: Event, Winner. Rows include European League, European League, European League, European League, European League, European League.

Volleyball

Table with 2 columns: Event, Winner. Rows include European League, European League, European League, European League, European League, European League.

Secretarial and Non-secretarial Appointments

LA CREME DE LA CREME

ADMINISTRATIVE SECRETARY
AT £8,000

A director of an expanding Management Consultancy—part of a major international group—needs an experienced Secretary to control the administration for a small, closely knit and highly professional team specialising in senior executive and related management services. Diplomacy, discretion, a superb telephone manner and good oral/written skills are all important for this varied and interesting position. A first class education and good grooming are essential. Age 25-35. Applicants are asked to telephone Suzanne de Bormer on 01-483 5787 for initial interview.

GORDON YATES LTD.
35 OLD BOND STREET, LONDON W.1.
(Staff Consultancy)

INTERNATIONAL BANKING LANGUAGE OPPORTUNITIES

PORTUGUESE SPEAKING SEC/PA c. £6,500 + MORTGAGE
City Bank wishes to recruit a super Secretary (min 50/80) for their super young Director of International Banking and Finance. Excellent career prospects.

FRENCH BILINGUAL SEC/PA c. £7,000 + MORTGAGE
PA with good shorthand and typing to assist young Vice President in the world-wide investment field. Fabulous modern office suite plus excellent career prospects.

Appointments on: 01-686 4711 or 01-736 0927 (eves)

ONLY THOSE WHO TAKE PRIDE IN A JOB WELL DONE NEED APPLY FOR THIS POST

Intelligent and cheerful PA/Audio Secretary required for demanding Partner of very busy young Property Consultancy with prestige offices just off Bond Street. Full administrative duties.

A good salary will be paid for these qualities. Age 28+.

Please telephone Joyce Blake on 01-734 4177

SECRETARY

M.D. of Mayfair property company requires Secretary with presence and ability for small pleasant office. Aged 25-35. Salary circa £7,000 p.a.

Please call 499 2271.

CAREER OPPORTUNITY
£7,000 + MORTGAGE

For those who are interested in a financial career but have not been given the break here's your chance. We are looking for someone to act as Secretary/Assistant to an Executive in the City. Initial training and a salary of £7,000 + mortgage. Full training and a salary of £7,000 + mortgage.

Crone Corkill
Recruitment Consultants

PUBLIC RELATIONS
£6,000

Top Mayfair P.R. Co. needs an out-going P.R. Sec. for a young Director. Good salary and mortgage. Full training and a salary of £6,000 + mortgage.

THE GROSVENOR BUREAU
Staff Consultants

EXECUTIVE P.A./SECRETARY

The dynamic president of an international firm, company secretary, needs a first class P.A. with fast and efficient typing skills. Excellent salary and mortgage. Full training and a salary of £6,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

£6,300

THE GOVERNMENT OF THE PROVINCE OF ALBERTA
In Alberta, Canada, requires a secretary to the Director of Economic Development. Must have at least 3 years' experience in a similar position. Excellent salary and mortgage. Full training and a salary of £6,300 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

Stella Fisher
IN THE STRAND

YOUR SECOND JOB COULD BE IN PR

If you have the skills and ability to work in a professional environment, we have a job for you. Excellent salary and mortgage. Full training and a salary of £6,000 + mortgage.

Stella Fisher Bureau
711 Strand, W.C.2 01-636 6644
Recruitment Consultants

W.I. MARKETING
£5,500

Our clients are an international group of companies. They need a Marketing Manager. Excellent salary and mortgage. Full training and a salary of £5,500 + mortgage.

W.I. MARKETING
100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

MUSIC P.A.

Exciting opportunity for competent P.A./Secretary to work with this talented music group. Excellent salary and mortgage. Full training and a salary of £6,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

FILMS W.I. TOP SEC. ADMINISTRATOR

Working as part of a team in a very busy office. Excellent salary and mortgage. Full training and a salary of £6,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

TIP TOP £7,000 AUDIO SEC. P.A.

Are you intelligent, responsible, able to run an office working for a partner of a young bank? Excellent salary and mortgage. Full training and a salary of £7,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

MAYFAIR

We seek a charming lady with a good education, a good salary and mortgage. Full training and a salary of £6,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

La Creme
SECRETARIAL RECRUITMENT CONSULTANTS

We listen to audios.

01-836 4086

RECEPTIONIST/TYPIST

As an experienced person in a busy office, you will be responsible for the reception of visitors and the typing of letters. Excellent salary and mortgage. Full training and a salary of £6,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

PUBLISHING
£4,500

Chief fiction editor of a major publishing house. Excellent salary and mortgage. Full training and a salary of £4,500 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

DEPARTMENT OF SURGERY
GUYS HOSPITAL

SECRETARY

required for THE PROFESSOR OF SURGERY

This is a very busy department which would suit a Secretary with a good education and a good salary and mortgage. Full training and a salary of £6,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

First Class Temporarys

First Class Rates

If you have first class experience and a good salary and mortgage. Full training and a salary of £6,000 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

SENIOR SECRETARY

3/6 Trump Street, London W.C.2

01-606 1811

MEDIAFRICA

Shoppers' price guide requires hard-working

Pathfinders
PERSONNEL SERVICES
629 3132

ESPAÑOL HABLA VD
£5,750

This is a very busy office which would suit a Secretary with a good education and a good salary and mortgage. Full training and a salary of £5,750 + mortgage.

Pathfinders
PERSONNEL SERVICES
629 3132

Bernadette of Bond St

Receptionist/Secretary

Pathfinders
PERSONNEL SERVICES
629 3132

W.I. MARKETING
£5,500

Our clients are an international group of companies. They need a Marketing Manager. Excellent salary and mortgage. Full training and a salary of £5,500 + mortgage.

W.I. MARKETING
100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647,

Edited by Peter Dear

Radio 1

5.00 am Air Radio 2, 7.00 Mike Read,
9.00 Simon Bates, 11-30 David Lee
Trevise, 12.00 Paul Burnett, 3.30 Steve
Wright, 5.00 Peter Powell, 7.00 Stayin'
Alive, 8.00 David Jensen, 10.00 John
Peel, 12.00 Midnight Close.

World Service

BBC World Service can be received in
Western Europe on medium wave 645 kHz
(45C) at the following times: GMT:
8.00am News, 9.00 Today's Programme,
9.30am Four Hours Summary, 7.00
Country Style, 7.45 Short Story, 8.00 World
News, 8.05 Reflections, 8.15 The London
Scene, 8.30 Baker's Half-Century, 9.00 World
News, 9.05 Review of the British Press, 9.15

9.35 Interview, 9.40 Look Ahead, 9.45 A
World in Edinburgh, 10.15 The Instrument
Panel, 10.20 News, 10.25 The Mayor
of Bristol, 11.05 Radio Times, 11.09 News About
Bristol, 11.15 Breakfast, 11.80 The World
Lecture, 12.00 Radio News, 12.15
Animal, Vegetable or Mineral? 12.45 Sports
News, 1.00 The Day After Tomorrow, 1.05
Four Hours' News Summary, 1.30 Country
Show, 1.45 The Revenue Man, 2.15 The End
of the Road, 2.20 The Saturday Show, 2.30
The News, 3.15 Outlook, 4.00 World News,
4.05 Community, 4.15 The Pad and the
Pen, 4.45 The World Today, 5.05 World
News, 6.08 Experts, 6.28 New Ideas, 8.00
World News, 8.05 Ten To Four Hours' News
Summary, 9.15 Experts, 9.30 Rock Saked,
10.00 World News, 10.08 The World Today,
10.15 The Day After Tomorrow, 10.20 News,
10.25 Reflections, 10.45 Sports Roundup,
11.00 World News, 11.09 Community,
11.15 Breakfast, 11.80 The World
Lecture, 12.00 Radio News, 12.15
Animal, Vegetable or Mineral? 12.45 Sports
News, 1.00 News About Bristol, 12.15
The Instrument Panel, 12.20 News, 12.25
The Mayor of Bristol, 12.45 The World
Today, 1.45 Experts, 2.00 World News,
2.05 Review of the British Press, 2.15
The Revenue Man, 2.20 The Saturday Show,
2.30 World News, 3.05 News about Bristol, 3.15
The World Today, 3.30 John Peel, 3.45
Weekend, 3.45 The World Today.

Radio 1 1/2 VHF 88-91MHz. Radio 3
area FM 72Hz/47.17m. LBC FM
FM 72Hz/4.9MHz.2. World Service

ULSTER

As Thames expires: 1.20pm-1.30 Lunchtime, 2.30-4.15 *Fife: Conay Island* (Betty Baire, George Monaghan) Turbulent and lurching story set in New York's seashore playground, 5.15 Radio, 5.30-5.45 *Good Evening Ulster*, 6.00 *Good Evening Ulster*, 6.30-7.00 Mr and Mrs. 8.00-10.00 Quincey, 10.30 *Welcome Back Kitter*, 11.00 *Face Your Future*, 11.25 *Bedtime*, *Closedown*.

CHANNEL

As Thames expires: 1.20 pm-1.30 News, 2.30-4.15 *Fife: Search for the Gods* (Stephen McHattie) Pursuit of a mysterious medalion, 5.15-5.45 *Good Evening Ulster*, 6.00 *Channel Rendezvous*, 6.30-7.00 *Two of us*, 10.28

CHOICE

themselves would reject the idea. But would they, if it meant the decimation of the Football League?

■ Eighteen months ago the first genetic engineering experiment was performed on a human being. Gordon's **THE CLINE AFFAIR** is a well-researched, carefully balanced investigation of the intrigue and the unease felt about the operation and the person who performed it, Dr Martin Cline. He arrived in Jerusalem from Los Angeles carrying with him human embryos that had been infected with bacteria. These it was hoped would save the life of a twentyone year old Israeli girl. If successful, Cline would be hailed as a pioneer, if not the future of gene therapy applied to humans would be brought into question. What

happened at the operation nobody knows and the fate of the patient is shrouded in secrecy. Why was the attempt to operate on Pearl Harbor? Was it to prevent his escape after unsuccessfully fleeing to the United States for over a year? Horowitz tries to find the answer to these and other unanswered questions.

◆ WHERE WERE YOU THE NIGHT THEY SHOT THE PRESIDENT? (Radio 4, 8.00 pm) In this book, Horowitz looks at the title of a play by Martin Reed about a young man's transition to adulthood, *Dunkirk Guard* plays by Richard, an intelligent teenager who is sent to Dunkirk to join the army. To this end he is backed to the hilt by his teacher, Major Breeze (Peter Jeffrey) who is with him when he is captured. Horowitz believes that his further education should be in a different direction. Poor Richard's future becomes a matter between two warring and potentially

of
INTS
S
Mrs. Coleman,
a, Sons, etc.
GALLERY
Marie St., W.I.
CIETY
W.I. 01-629
INTINGS
FURNITURE
30 Bruton St.
57273. — AM
MARLBOROUGH & A
W.I. RUFFING AND
PAINTINGS with M
10-5.30 Sat. 10-12.30
TATE GALLERY, MU
LANDSEER. Unit 12
E1 (Open Thurs.
TURNER & THE S
ECTIONS 1989-91.
W.I. 10-5.50. S
Recorded Informa
712B.
VICTORIA & ALBERT
Ker. THE ART OF

MAGNEW
109th ANNUAL
COLOUR EXHIBITION
until 19th February
100, NEW STREET, LONDON
W1
Mon-Fri 9.30-5.30
Thurs. 11-5.30

Classified Advertisements
 Advertisement in any of these categories:
 Deaths and Births, Marriages and
 Agents
 Advertisement Department is open
 hours messages concerning
 may be left on the telephone a
 01-837 3311.
 In connection with advertisements there
 cancellations or alterations, the
 is Department 01-837 1234, E
 s are subject to the conditions
 Newsprinters Limited, copies
 request.
 r all copy is one clear pu
 a deadline for Wednesday. E

Classified Rates

£3.25 per line (minimum 10 lines)	£50 per cm semi-display (minimum 10 cm)	£100 per cm full display (minimum 10 cm)
£3.25 per line (minimum 10 lines)	£50 per cm semi-display (minimum 10 cm)	£100 per cm full display (minimum 10 cm)
£3.25 per line (minimum 10 lines)	£50 per cm semi-display (minimum 10 cm)	£100 per cm full display (minimum 10 cm)

£14.00 per cm Full
(min
£5.00

The King's men, all in the line of duty



Elite Spanish troops training 7,500ft up in the Pyrenees to give their monarch, an accomplished skier, protection in the snow. Since last year's coup, the bodyguard of King Juan Carlos has been increased from four to 20 when he skis. And they have to be good to keep up with the King.

Government inquiry urged on 'Times' titles

Continued from page 1

Glasgow, the historian Hugh Trevor-Roper, has criticized it as a prima facie violation of the guarantees and a "gross incivility".

Of the other independent directors, Sir Edward Pickering said that if legal advice was that it was outside their orbit, it was "quite proper". Lord Greene of Harrow Weald, the former general secretary of the National Union of Railwaysmen, said: "All I know about it is what is in *The Times*."

Mr Gerald Long, managing director of TNL, said yesterday that he had initiated the proposal at the meeting. He added: "I have an absolutely clear conscience that it was quite legal."

Mr Long said the titles were, as they had been before the move, within the News International Group. "The ownership of titles only becomes of any real importance in the light of the existence or non-existence of TNL."

The editor of *The Times*, Mr Harold Evans, said last night: "We were told that all

legal steps had been taken and it had all been properly done."

Mr Eckberg said the legal advice given to the board of TNL was that titles, though assets, were "not interests" and would count as interests, but "possibly shares would".

He added: "The articles of association say we cannot sell or dispose of any interest in the newspaper. The word in question is 'interest' and we are advised that this does not refer to the titles or assets and we are therefore entitled to transfer the titles."

Mr Smith, the Shadow Trade Minister, yesterday wrote to Mr Biffen calling on the Secretary of State to intervene as "the real custodian of the agreement" reached over Mr Murdoch's takeover last year.

He said in his letter: "You recommended the transfer of the papers to Mr Murdoch, but the safeguards were adequate and the mechanism proposed would ensure they were adhered to. It now seems to me you have a duty to intervene to preserve them."

"I suggest you hold immediate talks both with the independent directors and with Mr Murdoch and make an early statement to Parliament."

He said yesterday that the independent directors "must assert themselves and call Mr Murdoch to account".

Mr Smith added: "The disposal of the titles in secret last year by Mr Murdoch is a breathtaking subterfuge, which raises very serious questions about his future intentions for both newspapers."

Sir William Rees-Mogg, interviewed on BBC Radio's *The World This Weekend*, said the transfer should be canceled. "Success and until the independent national directors have been properly consulted, and they give their consent by a majority, if they do."

He said the transfer breached three documents: Mr Murdoch's original agreement to purchase from the Thomson organisation; the company's articles of association; and the conditions laid down by the Secretary of State.

A smooth and unquestioned transfer of the titles would have made it more attractive and easier for Mr Murdoch to proceed with liquidation of the papers, Sir William added.

According to the Department of Trade, Mr Biffen could direct a company to reverse a decision if he judges it breaches the conditions attached to a newspaper merger or sale.

But he was suggested that his only sanction would be a reference to the Director of Public Prosecutions.

Mr Arthur Britten, corporate relations director of News International, acknowledged yesterday that the company was almost certainly in breach of Department of Employment procedures for declaring redundancies.

The company told the Department last week and could see its entitlement to redundancy rebates affected as a result, Mr Britten said. Money was running out so fast that "under the pressure, the company has been facing we have not been able to observe a 90-day notice."

Syrian mutiny reported as rebels hold out

Continued from page 1

traffic was using a detour through the suburbs of Hama. The official account of the fighting is somewhat different from the version being put about by Syrian exiles in Beirut and other Arab cities. According to the Government, their security forces came under fire in the city after discovering huge stores of arms belonging to the Brotherhood. Photographs published in the government-controlled press show Soviet-made Kalashnikov rifles and rocket-propelled grenades, but also a large quantity of American-manufactured M16 rifles. The American connexion is important for the authorities who are claiming that the United States and the CIA are the main instigators of the violence.

Questioned during the Arab foreign ministers' conference in Tunis, Mr Abdul-Halim Khaddam, the Syrian Foreign Minister, insisted there had been no incidents in the country, only "Bach" party and

security searches for arms camps. What was going on in Hama, he said, was no different from what happened in France, the United Kingdom, Saudi Arabia and other countries.

The parallel with Saudi Arabia, which pays the bulk of the money to Syria's army in the Lebanon, was somewhat pointed; not long after the Iranian revolution, Saudi troops fought pitched battles to drive Muslims from Mecca. The European comparisons were less credible; the British Army, for instance, has hardly resorted to rank warfare in the streets of Belfast, and the British police are not in the habit of using rifles to deal with disturbances.

Hama has long been a seat of insurrection in Syria, and four of the city's mosques, said to be under shelling today, were bombed by the Syrian air force more than a decade ago during another, less violent uprising.

Leading article, page 11

Letter from New York

Whispering campaign to market 'Chariots'

When *Chariots of Fire* received seven Academy award nominations last Thursday, including those for best picture, best screenplay and best supporting actor (Ian Holm), it was a marvellous accolade for Britain's allegedly dying film industry.

Few who have seen the film about two runners and their different motives in striving for Olympic gold in 1924 will doubt that the nominations are merited. Less obvious, however, is the accord to the marketers of the film in America; though it may be unpalatable to admit it, these Americans are almost as responsible for the nominations as are the film's production staff, director and actors.

In America, where it matters, *Chariots* has been marketed in a very unusual, not to say cunning way—and it has paid off handsomely.

It is unfortunate that true, and a movie is a movie, films in America are almost never big box office. In fact, prior to *Chariots* the only foreign film in the last decade which made more than \$5m in retail sales was *Top Gun*. By Friday morning *Chariots* had already exceeded this magic figure.

The marketing problems were formidable. The first question people were asked was: "What is it about? What is it?" says Ashley Boone of the Ladd Company, the joint marketers in America with Warners.

Well, *Chariots* doesn't have any household names. The second question is: "What is it about? What is it?" says Ashley Boone of the Ladd Company, the joint marketers in America with Warners.

The third thing is: it is a period movie, which normally turns off men, and a sporting movie, which turns off women. On the face of it, *Chariots* was a double-edged sword. The marketing people, however, discovered a fact that in some ways, ill-defined way, uncomfortable to the marketing mind, it is a very good film indeed.

The way Ladd and Warners got round these problems is a model of marketing wizardry. In a model of marketing wizardry, the film is being marketed in a way that is a model of marketing wizardry.

First, they had to avoid getting a 'G' for general rating. With attitudes like that, they are these days, they need a 'PG' (Parental Guidance Suggested) to make the film appealing for sophisticated. So a single expletive was put in the mouth of a fairly minor character and that did the trick.

Next, they had to avoid the cinema considered as "art houses". The distributor had an early offer from the Plaza cinema in Manhattan for example, but this was thought of as too intellectual, a venue and they opted for Cinema 1—which Mr. Boone describes as "a classy East Side house but one which had screened *The Exorcist*".

A third important tactic was to opt for a whispering campaign to get the film known rather than invest in a big advertising campaign on television. "Last year 116 movies bought TV airtime to promote themselves—TV advertising is no longer unusual. We needed something unusual."

The film opened first in three cities: New York, Los Angeles and Toronto. A week later three more. A week after that another three. Throughout last autumn *Chariots* played in just these nine houses, almost the slowest release in film history.

But to these nine theatres were lined up the independent local figures. Complimentary reviews were sent to every group imaginable who might be interested in the theme of the film: Boy Scouts, Girl Scouts, Congress, YMCAs, the Christian Athletic Association.

At Christmas time *Chariots* was extended to 26 cinemas, but mainly in those nine towns. Television advertising was still shunned but for newspaper reviews had begun to appear and so press advertisements were run based on these, with long lists of prominent local citizens who had seen the film and endorsed it.

The final move was played a week ago. Knowing that the Oscar nominations were to be announced last Thursday, Ladd and Warners booked 282 cinemas throughout the country. Within the seven days, the film was in all the newspapers and on television, they thus got their film promoted on the networks and at no direct cost.

Add to that the fact that this weekend is a holiday celebrating Washington's birthday with more film cinema-going, and *Chariots* looks set to win the big financial success it deserves. It will now go into 500 cinemas early in March—and that number is what is needed for a film to become a hit by American standards.

Peter Watson

THE TIMES INFORMATION SERVICE

Today's events

Exhibitions
Paintings and drawings by John Davidson, Morley, Gallery, 81 Westminster Bridge Road, SE1, 10 to 9.
Paintings, drawings and prints by Lynda Hopkins, Islington Central Library, 2 Fieldway Crescent, N5, 9 to 5.
Exhibition of work by Rosmarie Esmondson, Talent Store, 11

Eccleston Street, SW1, 9.30 to 5.30.
British drawings and watercolours, Anthony d'Offay, 9 and 23 Dering Street, New Bond Street, W1, 10 to 5.30.
Work by Lady Edna Clarke Ball, New Grafton Gallery, 42 Old Bond Street, W1, 10 to 6.
Paintings of Charles by John Hadley, Annexa Gallery, 45 Wimbledon High Street, SW19, 10 to 5.
Women naive painters, Wynne Wayne Fine Art Gallery, 17 Old

Bond Street, W1, 10.30 to 6.
Tutor and the sea; and Land-sea; both at Tate Gallery, 10 to 6.
Talks, lectures
Celtic art in Britain, by David Williams, 11.30, British Museum.
1) Les Lézards at Les Rous, 12) Friedrich, 13) Miller, National Gallery, 1.
Abstract art in America, Carol Conard, Tate Gallery, 2.
Kingston's local history collection by C. A. Cornish, Heritage Unit, Museum and Art Gallery, Fairfield, West, Kingston-upon-Thames, 1.
Shakespeare and death, by Andrew Sanders, London School of Hygiene and Tropical Medicine, Keppel Street, Gower Street, WC1, 6.15.

Music
Concert by string orchestra conducted by John Gledhill, Guildhall School of Music and Drama, Barbican, EC2, 7.30.
Piano recital by Philip Pillington, at St Lawrence Jewry, next Guildhall, Gresham Street, 1.
Recital by Laurence Cunney (bass-baritone) and Alan Paul (piano), St Anne and St Agnes, Gresham Street, 1.10.
Recital by Kalkstein, Laredo and Robinson, St John's, Smith Square, Westminster, 1.

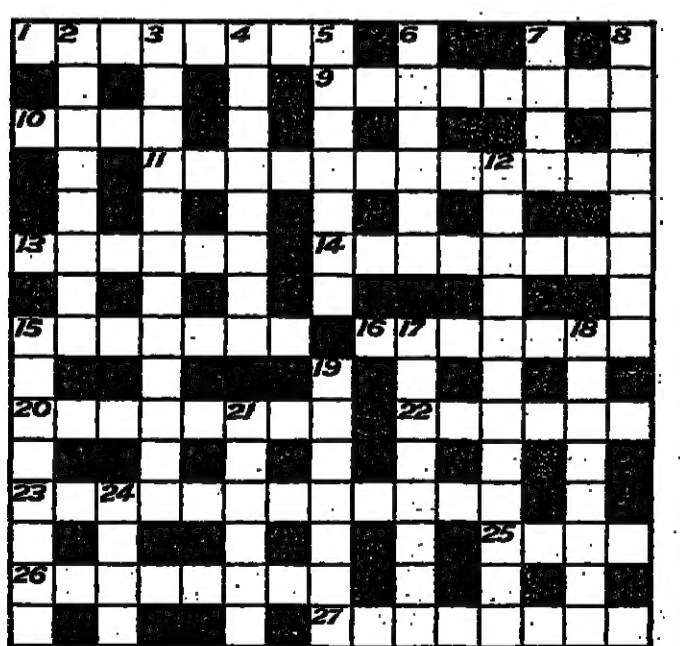
Walks
London's ghosts, alleys and oddities, meet Embankment Underground, 7.30.
Nature notes
Magpies gather in chattering flocks in the tree-tops, their long tails pointing in all directions. These autumn birds seem to express some early spring sexual excitement, before nest-building begins next month. Over lakes and ponds, mallards fly up and down in quacking pairs. Green woodpeckers call with a longer, shriller laugh, the equivalent of song for them, and as ground feeders, depending very much on ants, they suffered in the winter. Tree-creeper begin to sing a few wistful notes, ending in a flourish, uttered as they make their way up a tree-trunk.

Travel
British Rail services recommence today after yesterday's strike by Aslef drivers, with another strike set to start tonight. Eastern and Southern regions hope to operate normal commuter and long-distance trains this morning. But the strike is still in force. The rail strike is still in force. The rail strike is still in force.

The papers
The Daily Express notes today that Mr Michael English, Labour MP for Northampton West, is sponsoring a Bill to provide for the royal rights of the first-born. The Bill is still in the House of Commons. The Bill is still in the House of Commons.

The Pound
Bank of England today said the pound was steady at 1.77 against the dollar. The pound was steady at 1.77 against the dollar.

The Times Crossword Puzzle No 15,756



- ACROSS**
- Use fewer words. Order accepted by many journalists (8).
 - School given lighter extract from Moby Dick, perhaps (5-3).
 - Nothing more than Excalibur's last recipient (4).
 - The poet Weller - below stairs VIP (6,6).
 - But includes one non-starter. Little Baskin (6).
 - The best Chinese? (5).
 - Afterthought about priest's direction for cloak (7).
 - Cursed a blunder in Richard's expedition (7).
 - Put down a club? (8).
 - Without hesitation this French historian (6).
 - What they define as "manner of speaking", "heavenly sign"? (12).
 - Striking in vain? (4).
 - Period comes to a stop (8).
 - Schubert's work looked down upon lately? (8).
- DOWN**
- Opening for players (8).
 - Quiet indignation about one causes foreboding (12).
 - Recesses see merit in eccentricity (8).
 - They supply trout for cooks? About right? (7).
 - Element in mounted corpse - good for foreign use (6).
 - Coat for Charles? (4).
 - Girl goes free on £100 being collected (8).
 - Car feature broadcast? (12).
 - Lost place in poetry reading (8).
 - Finally servant kept? (8).
 - The German was indispensed when coming off the line (8).
 - Coddles is among writer's household gods (7).
 - A jockey put on this sum of money (6).
 - Soma poetry with no end of slang (4).

The Solution of Saturday's Prize Puzzle No 15,755 will appear next Saturday

Auctions
Christie's, King Street: English porcelain, 11. Christie's, South London: Oriental paintings, prints, scrolls, Indian and Islamic paintings and miniatures, 10.30; old and modern silver, 2. prints, 2. Phillips, Becham Street: furniture, carpets, objects, 11; watercolours and drawings, 11; oil paintings, 2. Sotheby's, Bond Street: valuable printed books relating to science and medicine, 11.

The Times/Halifax house price index

Monthly index average of second-hand houses (seasonally adjusted)	Index	Average price (£)	% change over preceding 1 year	% change over preceding 5 months	% change over preceding 12 months
1979 December	121.1	17,888	21.2	10.1	2.4
1979 December	121.1	17,888	21.2	10.1	2.4
1980 January	121.1	17,888	21.2	10.1	2.4
1980 February	121.1	17,888	21.2	10.1	2.4
1980 March	121.1	17,888	21.2	10.1	2.4
1980 April	121.1	17,888	21.2	10.1	2.4
1980 May	121.1	17,888	21.2	10.1	2.4
1980 June	121.1	17,888	21.2	10.1	2.4
1980 July	121.1	17,888	21.2	10.1	2.4
1980 August	121.1	17,888	21.2	10.1	2.4
1980 September	121.1	17,888	21.2	10.1	2.4
1980 October	121.1	17,888	21.2	10.1	2.4
1980 November	121.1	17,888	21.2	10.1	2.4
1980 December	121.1	17,888	21.2	10.1	2.4

Weather

An anticyclone will become established to the NE.

6 am to midnight

London, SE England: Some frost and fog at night, but generally sunny with a little rain in places. Wind light to moderate, max temp 7 to 9°C (45 to 48°F).

SW England: Mostly frost and fog at night, but generally sunny with a little rain in places. Wind light to moderate, max temp 7 to 9°C (45 to 48°F).

Central Scotland: Frost and fog at night, but generally sunny with a little rain in places. Wind light to moderate, max temp 7 to 9°C (45 to 48°F).

North Scotland: Frost and fog at night, but generally sunny with a little rain in places. Wind light to moderate, max temp 7 to 9°C (45 to 48°F).

Wales: Frost and fog at night, but generally sunny with a little rain in places. Wind light to moderate, max temp 7 to 9°C (45 to 48°F).

Wales: Frost and fog at night, but generally sunny with a little rain in places. Wind light to moderate, max temp 7 to 9°C (45 to 48°F).



Location	High tide	Low tide
London Bridge	6.17	6.44
Amersham	11.36	11.58
Doncaster	9.54	10.23
Derby	9.48	10.18
Falmouth	9.24	9.53
Glasgow	10.12	10.45
Grimsby	10.21	10.45
Leam	10.24	10.45
London	10.24	10.45
Manchester	10.24	10.45
Portsmouth	10.24	10.45
Sheffield	10.24	10.45
Southampton	10.24	10.45
Swansea	10.24	10.45
Torquay	10.24	10.45
Widnes	10.24	10.45

Location	High tide	Low tide
London Bridge	6.17	6.44
Amersham	11.36	11.58
Doncaster	9.54	10.23
Derby	9.48	10.18
Falmouth	9.24	9.53
Glasgow	10.12	10.45
Grimsby	10.21	10.45
Leam	10.24	10.45
London	10.24	10.45
Manchester	10.24	10.45
Portsmouth	10.24	10.45
Sheffield	10.24	10.45
Southampton	10.24	10.45
Swansea	10.24	10.45
Torquay	10.24	10.45
Widnes	10.24	10.45

Location	High tide	Low tide
London Bridge	6.17	6.44
Amersham	11.36	11.58
Doncaster	9.54	10.23
Derby	9.48	10.18
Falmouth	9.24	9.53
Glasgow	10.12	10.45
Grimsby	10.21	10.45
Leam	10.24	10.45
London	10.24	10.45
Manchester	10.24	10.45
Portsmouth	10.24	10.45
Sheffield	10.24	10.45
Southampton	10.24	10.45
Swansea	10.24	10.45
Torquay	10.24	10.45
Widnes	10.24	10.45

Location	High tide	Low tide
London Bridge	6.17	6.44
Amersham	11.36	11.58
Doncaster	9.54	10.23
Derby	9.48	10.18
Falmouth	9.24	9.53
Glasgow	10.12	10.45
Grimsby	10.21	10.45
Leam	10.24	10.45
London	10.24	10.45
Manchester	10.24	10.45
Portsmouth	10.24	10.45
Sheffield	10.24	10.45
Southampton	10.24	10.45
Swansea	10.24	10.45
Torquay	10.24	10.45
Widnes	10.24	10.45

Location	High tide	Low tide
London Bridge	6.17	6.44
Amersham	11.36	11.58
Doncaster	9.54	10.23
Derby	9.48	10.18
Falmouth	9.24	9.53
Glasgow	10.12	10.45
Grimsby	10.21	10.45
Leam	10.24	10.45
London	10.24	10.45
Manchester	10.24	10.45
Portsmouth	10.24	10.45
Sheffield	10.24	10.45
Southampton	10.24	10.45
Swansea	10.24	10.45
Torquay	10.24	10.45
Widnes	10.24	10.45

Location	High tide	Low tide
London Bridge	6.17	6.44
Amersham	11.36	11.58
Doncaster	9.54	10.23
Derby	9.48	10.18
Falmouth	9.24	9.53
Glasgow	10.12	10.45
Grimsby	10.21	10.45
Leam	10.24	10.45
London	10.24	10.45
Manchester	10.24	10.45
Portsmouth	10.24	10.45
Sheffield	10.24	10.45
Southampton	10.24	10.45
Swansea	10.24	10.45
Torquay	10.24	10.45
Widnes	10.24	10.45

Location	High tide	Low tide
London Bridge	6.17	6.44
Amersham	11.36	11.58
Doncaster	9.54	10.23
Derby	9.48	10.18
Falmouth	9.24	9.53
Glasgow	10.12	10.45
Grimsby	10.21	10.45
Leam	10.24	10.45
London	10.24	10.45
Manchester	10.24	10.45
Portsmouth	10.24	10.45
Sheffield	10.24	10.45
Southampton	10.24	10.45
Swansea	10.24	10.45
Torquay	10.24	10.45
Widnes	10.24	10.45